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# Automotive News

July 22, 1991


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# Ford Motor slates price hike of 4.7% on '92 cars

By Kathy Jackson
AUTOMOTIVE NEWS STAFF REPORTER

Ford and Lincoln-Mercury dealers received pre-introduction prices on 1992 cars and trucks last week. According to an *Automotive News* analysis, car prices are scheduled to rise an average of $796, or about 4.7 percent.

At this time last year, Ford floated an average hike of $581 or 3.9 percent on 1991 models, but later scaled it back a bit. Some dealers say it is likely that Ford will do the same this year.

But Ford has sweetened its warranty from one-year/12,000 miles to three years/36,000 miles on 1992 Ford and Mercury cars and Ford light trucks. That is a expensive program, and it may cause Ford to stick with its preliminary pricing this year.

Ford saved some of its biggest price hikes for light-duty trucks (see accompanying story).

This *Automotive News* car price analysis compares base sticker prices and does not account for year-to-year changes in standard equipment.

Price increases on Ford Division cars range from $263 on on the Festiva L two-door to $2,224 on the Tempo GLS four-door.

Prices dropped on Probe LX and GT, by $140 and $275 respectively. Some dealers think Ford may have reduced the prices on its slow-selling Probe models because an all-new Probe is due next summer as a 1992½ model.

Ford said it will announce prices for the Crown Victoria later.

Prices increased across the board for Lincoln-Mercury Division, ranging from $346 on all Tracers to $2,318 for the Topaz XR5 two-door. Capri and Grand Marquis prices were not announced.

The factory informed dealers that complete price lists, including option prices, will be mailed this week.

Some Tempo and Topaz models have the

see PRICES, page 35

**FORD MOTOR CO. FOR '92**

| | Range of price changes for cars |
|---|---|
| Ford | $ (275) to $2,224 |
| Mercury | $ 346 to $2,318 |
| Lincoln | $1,337 to $2,094 |

Not adjusted for equipment level changes

## *8% price hikes slated for some Ford trucks*

By Joseph Bohn
TRUCK EDITOR

Ford Motor Co. appears to have saved some of its biggest 1992-model price hikes for light trucks, where increases range as high as 8 percent on the new Econoline van, the compact Aerostar van and some F-series full-sized pickups.

It is difficult to determine what optional equipment the company may have standardized, what increases there may be on option prices or what kinds of package equipment discounts Ford may devise to offset such

see TRUCKS, page 35

FUTURE PRODUCT

## ASIA

## *Politics, costs may slow down product intros ever so slightly*

*Third in a series of articles exploring product plans of the U.S. Big 3 and Asian and European automakers.*

**Toyota's popular Corolla has been redesigned, but U.S. buyers must wait until fall 1992; this right-hand-drive version is designed for Japan's market.**

By Kristine Stiven Breese
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — Pressed by mounting trade tensions and expensive safety, fuel-economy and clean-air requirements, Asian automakers may back off on their breakneck pace of product introductions for the United States — but not by much.

Four-year cycles won't necessarily stretch to five or six years. But replacement models that are scheduled for the fall may simply arrive the following winter or spring. As such, product introductions will be further scattered throughout the year, putting another nail in the coffin of the traditional fall new-model introduction.

Companies will continue with their customary four-year cycles where they are most needed, especially in small-car and sporty segments. But in areas where the Japanese tend to be newcomers, such as the luxury segments, the cycles will be longer.

Financial and political pressures will likely drive some of the change, according to Tom Matano, vice president of product design and development, at

see ASIA, page 32

# Dealers balk at Chrysler's carryover allowance

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

Chrysler Corp. has broken its long-held practice of shunning a carryover allowance on previous-year vehicles in dealers' hands when the new model year begins.

It is offering its dealers the choice of a 5 percent carryover allowance on 1991 models in inventory Oct. 1 or participation in consumer and dealer incentive programs that continue through Sept. 30.

It is the first time in 13 years Chrysler has used a carryover allowance, and the response has not been overwhelming. Virtually all of Chrysler's 5,000 dealers have chosen the incentive programs.

Chrysler is the only one of the Big 3 that has consistently rejected demands by its dealers and the National Automobile Dealers Association to provide a carryover allowance at the end of the model year.

But this year, Chrysler has notified dealers it will pay a 5 percent stock allowance on vehicles in inventory Oct. 1 in lieu of dealer participation in the third "Rediscover American Values" incentive program that runs through Sept. 30.

While Chrysler dealers have long sought a carryover allowance, the company's current move apparently is not spawning widespread dealer interest. Dealers said participation in the consumer and dealer incentive programs that began July 1 is more advantageous than the October carryover payment.

Chrysler spokesman Tom Jakobowski said the number of dealers

see CHRYSLER, page 36

# Mazda announcement on luxury arm appears imminent

By Kristine Stiven Breese
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — Mazda Motor of America Inc. has apparently received a green light from Japan and will launch a new luxury division for the 1995 model year.

An announcement is expected well before the company's annual dealer meeting in September, possibly within two weeks. Two Mazda employees have pointed to an Aug. 6 announcement date.

As with Acura in 1986 and Lexus and Infiniti in 1989, Mazda will likely begin with two products. In Mazda's case, a V-8 flagship and a V-6 "entry-level" sedan are expected in 1994 as 1995 models. A coupe based on the flagship could follow the next year.

The go-ahead comes more than two years after Mazda disclosed it was studying the prospect of creating a second sales channel. The effort has operated under the codename Pegasus, but sales will likely start under another name.

The company, which has a much smaller U.S. presence than Honda, Toyota and Nissan, has been weighing whether it should mimic their luxury operations and whether the market can absorb another luxury franchise. Discussion has focused on distribution, dealers and facilities as well as products and timetable.

Acura, Lexus and Infiniti have required dealers to operate from facilities devoted exclusively to selling and servicing those cars. Mazda, conscious of the high costs demanded by stand-alone operations, appears to have settled on a compromise that will ease some of the burden on dealers.

One source said Mazda will offer the new franchise to both Mazda and non-Mazda dealers. The company will require dealers to

see PEGASUS, page 35

NEWSPAPER

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**The end for Excalibur?:**
A bankruptcy trustee is taking bids for the closed maker of neo-classic cars, but would anyone buy them? Story on Page 3.

# R.I.P. EXCALIBUR?

## *Maker of neo-classics attracts buyers, but former owners say market is dead*

By Sally Garbo Wedde
SPECIAL CORRESPONDENT

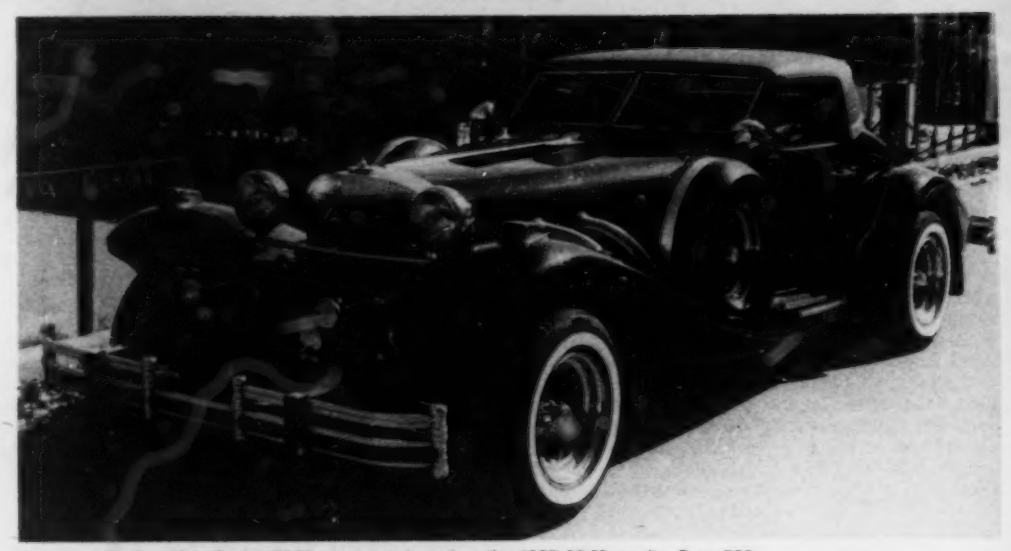
WEST ALLIS, Wis. — The bankrupt and closed Excalibur Automobile Corp. has a handful of potential buyers, even though the last two owners say the U.S. market for modern versions of old cars is dead.

"I think the Excalibur was a statement car, and there are now alternatives to make that same statement," said Henry Warner, who owned 58 percent of the company from September 1986 until it filed for Chapter 7 in bankruptcy court Feb. 20.

Warner said it's tough to sell the $75,000 Excaliburs to U.S. buyers: "Everything looks like the Sable or Taurus in the last three years. People are getting used to homogenized cars."

William C. "Steve" Stevens, who founded the company with his brother, David, in 1964 and ran it until 1986, said the generation of people who might buy an Excalibur is dying. Potential buyers — people who remember the 1930s style cars Excaliburs were based on — are growing scarce, he said.

But Chuck Johnson, a Maserati dealer in Fort Lauderdale, Fla., said he was surprised when the Excalibur plant closed. He used to sell 10 to 12 Excaliburs a year, and hopes to sell the car if production resumes.



Styling of the Excalibur Series IV Phaeton was based on the 1937-38 Mercedes-Benz 500.

Johnson thinks the business will be sold to someone in Europe or Japan because those markets accounted for about half of Excalibur's production.

Scott Dennison, who directed engineering and served briefly as Excalibur president in the Warner years, views Excalibur as a niche car. When the company filed for liquidation, he was hoping to pro-

see EXCALIBUR, page 34

# Mitsubishi could become sole Diamond-Star owner

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — Mitsubishi Motors Corp. says it is talking to Chrysler Corp. about purchasing "all or part" of Chrysler's stock in their joint U.S. assembly plant.

Until now, Mitsubishi in Japan has declined comment on ongoing talks with Chrysler about the future of Diamond-Star Motors Corp., their 50-50 venture in Normal, Ill. Mitsubishi's statement came after press reports last week that said Chrysler has agreed to sell its entire stake to Mitsubishi.

Mitsubishi officials in the United States have previously said the talks center on Chrysler giving up equity in exchange for Mitsubishi's help in paying product development costs.

Both companies are preparing for production of the next generation of models at Diamond-Star. The plant is scheduled to begin building the Mitsubishi Galant in model-year 1994. Coupe versions will be sold as the Chrysler LeBaron and Dodge Daytona. At about the same time, the plant will begin building the next-generation Mitsubishi Eclipse, which also will be sold as the Eagle Talon.

Development costs of the two Mitsubishi vehicles alone are estimated at about $600 million.

Chrysler has been looking for ways to generate cash to support a wave of new products.

Diamond-Star is capitalized at $199.5 million. Some reports say Chrysler asked for $100 million, or half of the face value, but analysts here expect Chrysler to look for a much higher figure.

# Nissan plans to raise dealer margins

By Kristine Stiven Breese
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — During the next two years, Nissan plans to raise the dealer margins on its vehicles by an average of one percentage point, according to Robert Thomas, Nissan Division general manager.

The change follows a request from Nissan's dealer council. Comparisons of Nissan dealer margins (which Nissan describes as the percentage difference between what a dealer pays for a car and the suggested retail price) reveal that in many cases, Nissan's margins are not as high as those of its major Japanese competitors.

For example, margins, or dealer discounts, on the new Nissan Sentra range from 6.15 percent to 11.26 percent after the holdback of two percentage points. The Toyota Tercel has dealer discounts of 8.52 percent to 14.00 percent, with no holdback.

Stanza margins are 11.77 percent, and the margins on the Maxima are 13.30 percent. Both have a holdback of 2 percentage points. The Honda Accord has a 16.00 percent dealer discount with no holdback.

Thomas takes issue with some of those figures but admits that Nissan margins don't always meet those of other import companies. "Dealers asked us to increase margins relative to the competition — namely Honda and Toyota. We've agreed to do so. Now we're looking at how to do it, on which models and in what order," he says.

Thomas: working with dealers

He adds that Nissan has been trying to address that problem for some time. "Over the last year, each price increase has taken dealer margins into account," Thomas says.

There are several ways to increase margins. One is to raise the sticker price while keeping the dealer price unchanged, although there's no guarantee that consumers will pay the higher price. Another way is to reduce the price that the dealer pays but keep the sticker price unchanged. Not surprisingly, dealers prefer the latter. Variations of those themes also increase the margin, or dealer discount.

"Every time they've had a price increase, they've increased the margins. But it's most important to be competitive at sticker. They have to make the spread larger, but they can't do that just by raising the sticker price," says Mark Lacher, general manager at Koeppel Nissan in Woodside, N.Y.

> "Sure, if dealers had a choice, they'd have us do it all at the wholesale level. And we'll look at that, but if we can't do that because of other expenses, some of it may have to come from retail."
>
> **Robert Thomas**
> Nissan general manager

Other dealers agree. "We're not looking for higher prices but for them to hold the wholesale price a little better," says Mark Parkinson, vice president and general manager at Tustin Nissan in Tustin, Calif.

Thomas says he understands

see NISSAN, page 34

# Jilted ZR-1 buyer awarded $105,500 from dealer

By Bob DeMayer
SPECIAL CORRESPONDENT

Rosenthal Chevrolet must pay a customer $105,500 for not delivering a Corvette ZR-1 after accepting his down payment, according to an Arlington County, Va., circuit court jury.

The plaintiff, Ralph L. Bradley, accused the dealership of breaking two sales contracts for the purchase of a Corvette ZR-1.

The jury found the Arlington dealership guilty on two counts. On the count of fraud and deceit, it granted Bradley punitive damages of $76,500 and compensatory damages of $19,000. On a count of fraudulent inducement to contract, the jury granted the plaintiff punitive damages of $5,500 and compensatory damages of $4,500.

Glen Mitchell, attorney for Rosenthal Chevrolet, said he will appeal the case because the dealership denies any wrongdoing.

Two other Rosenthal Chevrolet customers also filed suits accusing the dealership of breaching their contracts to purchase Corvette ZR-1s. These suits have been settled out of court for undisclosed amounts, according to Bradley's lawyer, John Drury.

Bradley demanded that his case be heard before a jury.

Bradley said in his suit that in October 1988 he made a nonrefundable $5,000 down payment to Rosenthal Chevrolet to be the dealership's first ZR-1 customer. ZR-1 models didn't reach the dealership until November 1989 because of production delays.

Bradley agreed in that contract to pay $2,000 over what was then the ZR-1's $58,000 sticker price, according to Drury.

As Bradley waited for the ZR-1 to arrive, demand for the 380-horsepower sports car skyrocketed. Before the first ZR-1 arrived at Rosenthal Chevrolet, Bradley was told he would have to sign a new contract agreeing to pay $7,500 above sticker because of the strong demand for the car.

Bradley said he signed a second contract, but even then he didn't get the first ZR-1 to arrive at Rosenthal. According to court records, that car went to another customer who paid $16,000 over the sticker price.

Bradley then purchased a ZR-1 from another dealer.

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## Corrections, clarifications

- A story in the July 1 issue incorrectly called the Buick Park Avenue "rebate free." In April, May and June, Park Avenue carried dealer incentives of $500 to $1,500, based on the number sold.
- A story in the July 15 issue gave an incorrect age range for Oldsmobile's core market. The range is 35- to 55-year-olds.
- A story in the July 15 issue misspelled the name of Ramon A. "Ray" Von Drehle, who is retiring as executive director of legal affairs for Ford Motor Co.'s Financial Services Group on Oct. 1.
- A July 15 story failed to note that General Motors has removed the $100 deductible on the three-year/36,000-mile warranty on 1992 Chevrolet, Pontiac, Buick, Oldsmobile and GMC models.

AUTOMOTIVE NEWS/JOE WILSDEN

**Louis Lataif, who will leave Ford in September, was the second youngest person to be named a vice president at the company.**

# Insiders say Lataif isn't only Ford exec who'll have new job

By Kathy Jackson
AUTOMOTIVE NEWS STAFF REPORTER

The resignation of Louis Lataif at Ford Motor Co. is expected to be only the start of executive shuffling at the No. 2 automaker.

Company insiders and well-placed outside observers say political infighting is well beyond round one as ambitious Ford employees try to position themselves for promotions or other outside opportunities with the anticipated retirements of Chairman Harold Poling and President Philip Benton.

Poling, 66, agreed to postpone his retirement and serve as chairman for three years when his predecessor, Donald Petersen, stepped down early last year.

Benton, 63, has been ill and is expected to retire when he turns 65 in December 1992.

"Ford is known to be more political than GM is at the top level," said a consultant who works closely with Ford. The consultant, who did not want to be identified, said, "When opportunities start coming up, executives like Lataif will take a real close look at them, particularly if they don't see themselves moving up."

Lataif, vice president for quality and marketing, will leave Ford in September after 27 years with the company to become dean of Boston University's School of Management.

Lataif says he does not know if his position will be filled, but James Paulsen, director of the vehicle controls and powertrain products strategic business unit, has been named executive director of corporate quality. Paulsen, 52, a 20-year Ford veteran, will assume his new duties Aug. 1 and report to Lataif.

Paulsen's early years with the company were basically spent in climate control engineering. He also was plant manager at Ford's Saline, Mich., plant.

Lataif describes Paulsen as a "top-notch engineer and a man on the move."

Lataif, too, was a man on the move during the 1980s. Observers thought there was no limit to how far the affable sales executive could rise — even to the chairman's office.

**Paulsen: fills quality post**

Lataif was named a vice president at age 42. Company officials say only Lee Iacocca, former Ford president and current Chrysler Corp. chairman, was named a vice president at an earlier age, 39.

Lataif's prestigious appointments included general manager of Ford Division, vice president of sales operations for North American Automotive Operations and president of Ford of Europe Inc.

But the 52-year-old executive was called back to Dearborn in April to fill the newly established post of vice president for quality and marketing after his three-year stint in Europe, and it was hardly seen as a promotion by his colleagues at company headquarters.

"When they brought him back and put him in this made-up position, it was obvious something was not going right," said an executive in Ford Division's sales office. "Lataif was well liked and respected for his abilities, but people also recognized that the European stint did not work out, so there was no obvious place left for him."

Lataif's predecessor as president of Ford of Europe, Alexander Trotman, is executive vice president of North American Automotive Operations and is believed to be among the frontrunners to move into one of the top executive spots when Poling and Benton retire.

see LATAIF, page 35

# Extra day pushes early July sales above '90

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

Sales of new cars and light trucks increased in early July, but it took an extra selling day to do it.

Deliveries of 324,432 cars and light trucks were 3.4 percent above the year-ago total. But the daily selling rate declined 9.5 percent because there were eight selling days in the July 1-10 period this year and seven last year.

Buick, Oldsmobile and Toyota Motor Sales U.S.A. Inc. reported major gains. Chrysler Corp.'s volume also improved.

Buick's daily selling rate jumped 31.8 percent in early July, as unit sales grew 53.2 percent to 15,427. Oldsmobile sales were 16,225, an increase of 34.4 percent and a daily-rate rise of 16.4 percent.

At General Motors, early July car and truck sales grew 8.6 percent, to 134,705, but the General's daily selling rate was down 5.0 percent. For the first half, GM sales were down 15.8 percent.

Toyota Motor Sales reported 10-day sales of 21,341 cars and light trucks, a jump of 38.8 percent over last year. Toyota's daily selling rate rose 21.4 percent.

Toyota attributed the increase to sales of new models, including the new Tercel and Paseo. Sales at its Lexus Division, which has a new SC400 coupe, shot up 53.9 percent. Dealer incentives also spurred sales of Toyota models.

At Chrysler, car and truck sales rose 12.6 percent to 41,318. Allowing for the extra selling day, Chrysler's daily rate dropped 1.4 percent. True to form, Chrysler's light-truck sales were much stronger than car sales. *Automotive News* estimates 10-day sales for Chrysler and for most imports.

Ford Motor Co. had the poorest year-to-year performance of the Big 3, with unit sales down 9.0 percent and the daily rate off 20.4 percent. Ford's six-month sales were down 18.9 percent, also the biggest drop among the Big 3.

Aside from Toyota, sales of most of the Japanese-based companies were about average or below average for the period.

Unit sales for American Honda Motor Co. Inc. increased 5.0 percent to 14,815, but the daily selling rate fell 3.1 percent. More U.S.-built Hondas and fewer imported Hondas were sold in early July, but the combined totals for each year were about the same. Acura sales were up 21.6 percent.

Likewise, sales for Nissan Motor Corp. in U.S.A. rose 3.6 percent, but the daily rate dipped 9.3 percent. Infiniti's 838 sales more than doubled last year's 359.

Sales for Mazda Motor of America Inc. fell 14.8 percent, and the daily rate was down 25.5.

Mazda's six-month sales were down 0.6 percent, much better than the industry's 15 percent plunge.

## 10-DAY CAR AND TRUCK SALES, BY MAKE

| | July 1-10, 1991 | July 1-10, 1990 |
|---|---|---|
| **ALFA ROMEO** (imp. car)* | **80** | **97** |
| **Acura** (imp. car) | **2,988** | **2,458** |
| Domestic car | 8,803 | 7,517 |
| Imported car | 3,024 | 4,131 |
| **Honda** | **11,827** | **11,648** |
| **AMERICAN HONDA** | **14,815** | **14,106** |
| **ASTON MARTIN** (imp. car)* | **1** | **1** |
| **BMW** (imp. car)* | **881** | **1,085** |
| Domestic car* | 3,757 | 5,737 |
| Imported car* | 15 | 78 |
| Domestic truck* | 115 | 53 |
| **Chrysler Division*** | **3,887** | **5,868** |
| Domestic car* | 7,259 | 5,744 |
| Imported car* | 737 | 415 |
| Domestic truck* | 13,041 | 10,604 |
| Imported truck* | 75 | 207 |
| **Dodge*** | **21,112** | **16,970** |
| Domestic car* | 1,683 | 1,166 |
| Imported car* | 170 | 273 |
| **Eagle*** | **1,853** | **1,439** |
| Domestic truck* | 5,037 | 4,126 |
| **Jeep*** | **5,037** | **4,126** |
| Domestic car* | 4,301 | 3,961 |
| Imported car* | 321 | 379 |
| Domestic truck* | 4,807 | 3,936 |
| **Plymouth*** | **9,429** | **8,276** |
| Domestic car* | 17,000 | 16,508 |
| Imported car* | 1,243 | 1,146 |
| Domestic truck* | 23,000 | 18,719 |
| Imported truck* | 75 | 207 |
| **CHRYSLER CORP.*** | **41,318** | **36,800** |
| Imported car* | 148 | 143 |
| Imported truck* | 60 | 109 |
| **DAIHATSU*** | **207** | **252** |
| **FERRARI** (imp. car)* | **16** | **16** |
| Domestic car | 27,986 | 32,932 |
| Imported car | 734 | 996 |
| Domestic truck | 31,972 | 33,917 |
| **Ford Division** | **60,692** | **67,847** |
| Domestic car | 5,208 | 5,486 |
| **Lincoln** | **5,208** | **5,486** |
| Domestic car | 8,099 | 8,841 |
| Imported car | 1,670 | 1,007 |
| **Mercury** | **9,769** | **9,848** |
| Domestic car | 41,293 | 47,259 |
| Imported car | 2,404 | 2,005 |
| Domestic truck | 31,972 | 33,917 |
| **FORD MOTOR CO.** | **75,669** | **83,181** |
| Domestic car | 15,427 | 10,072 |
| **Buick** | **15,427** | **10,072** |
| Domestic car | 3,901 | 5,005 |
| **Cadillac** | **3,901** | **5,005** |
| Domestic car | 38,437 | 36,320 |
| Imported car | 4,018 | 3,683 |
| Domestic truck | 32,628 | 33,868 |
| Imported truck | 20 | 62 |
| **Chevrolet** | **75,103** | **73,933** |
| **GMC** (dom. trk) | **7,685** | **9,223** |
| Domestic car | 15,256 | 11,470 |
| Domestic truck | 969 | 602 |
| **Oldsmobile** | **16,225** | **12,072** |
| Domestic car | 12,368 | 12,136 |
| Imported car | 1,049 | 962 |
| Domestic truck | 577 | 686 |
| **Pontiac** | **13,994** | **13,784** |
| Domestic car | 2,370 | 0 |
| **Saturn** | **2,370** | **0** |
| Domestic car | 87,759 | 75,003 |
| Imported car | 5,067 | 4,645 |
| Domestic truck | 41,859 | 44,379 |
| Imported truck | 20 | 62 |
| **GENERAL MOTORS** | **134,705** | **124,089** |
| **HYUNDAI*†** | **2,064** | **2,345** |
| Imported car* | 467 | 69 |
| Domestic truck | 410 | 79 |
| Imported truck* | 2,157 | 2,412 |
| **ISUZU*** | **3,033** | **2,560** |
| **JAGUAR** (imp. car)* | **178** | **306** |
| **LAMBORGHINI** (imp. car)* | **3** | **3** |
| **LOTUS** (imp. car)* | **5** | **5** |
| **MASERATI** (imp. car)* | **4** | **4** |
| Domestic car | 781 | 1,154 |
| Imported car* | 2,280 | 2,694 |
| Domestic truck | 180 | 0 |
| Imported truck* | 2,432 | 2,810 |
| **MAZDA*** | **5,673** | **6,658** |
| **MERCEDES-BENZ** (imp. car)* | **961** | **1,338** |
| Domestic car | 1,987 | 775 |
| Imported car* | 1,648 | 2,674 |
| Imported truck* | 416 | 815 |
| **MITSUBISHI*** | **4,050** | **4,264** |
| **Infiniti** (imp. car) | **838** | **359** |
| Domestic car | 2,036 | 1,663 |
| Imported car* | 4,879 | 5,527 |
| Domestic truck | 2,473 | 2,134 |
| Imported truck* | 2,791 | 2,879 |
| **Nissan*** | **12,178** | **12,203** |
| **NISSAN MOTOR CORP.** | **13,016** | **12,563** |
| **PEUGEOT** (imp. car)* | **69** | **71** |
| **PORSCHE** (imp. car)* | **82** | **189** |
| **RANGE ROVER** (imp. truck)* | **45** | **73** |
| **ROLLS/BENTLEY** (imp. car)* | **18** | **20** |
| **SAAB** (imp. car)* | **318** | **560** |
| **STERLING** (imp. car)* | **57** | **62** |
| Domestic car | 1,089 | 304 |
| Imported car* | 919 | 1,705 |
| **SUBARU*** | **2,008** | **2,009** |
| Imported car | 68 | 118 |
| Imported truck | 259 | 251 |
| **SUZUKI†** | **327** | **369** |
| **Lexus** (imp. car) | **1,316** | **855** |
| Domestic car | 8,411 | 4,930 |
| Imported car | 6,425 | 5,087 |
| Imported truck | 5,189 | 4,506 |
| **Toyota** | **20,025** | **14,523** |
| **TOYOTA MOTOR SALES** | **21,341** | **15,378** |
| **Audi** (imp. car)* | **267** | **513** |
| Imported car* | 1,750 | 2,942 |
| Imported truck* | 116 | 146 |
| **Volkswagen*** | **1,856** | **3,088** |
| **VW**A* | **2,133** | **3,601** |
| **VOLVO*†** | **1,483** | **1,796** |
| **YUGO** (imp. car)* | **46** | **107** |
| **Domestic car** | **169,159** | **155,213** |
| **Imported car** | **41,820** | **45,059** |
| **TOTAL CAR** | **210,979** | **200,272** |
| **Domestic truck** | **99,884** | **99,226** |
| **Imported truck** | **13,559** | **14,209** |
| **TOTAL TRUCK** | **113,453** | **113,497** |
| **TOTAL CAR & TRK** | **324,432** | **313,769** |

*Estimated †Breakdown of North American built and imported car sales not available.
There were 8 selling days in the period this year and 7 last year.

# Honda tops Toyota in sales per dealer

Honda jumped ahead of Toyota to lead the *Automotive News* car and light-truck sales-per-dealer calculation for June.

Honda, which sells only cars, averaged 69 sales per outlet. Toyota averaged 66 car-truck sales per store. Toyota led in May.

Saturn was third with 62 sales per dealer in June. Saturn has grown from 58 outlets on Jan. 1 to 108 in June.

In June's top 10, five are car-only brands and seven are Japanese makes.

The sales per dealer averages measure the relative value of a franchise by showing the relationship between the number of new-vehicle sales and the number of dealers selling those vehicles.

— Karen Detkowski

## U.S. CAR AND LIGHT TRUCK SALES PER DEALER

| Make | Car | Truck | June Total | May Total |
|---|---|---|---|---|
| Honda | 69 | — | 69 | 68 |
| Toyota | 48 | 18 | 66 | 78 |
| Saturn | 62 | — | 62 | 68 |
| Lexus | 53 | — | 53 | 42 |
| Chevrolet | 27 | 22 | 49 | 47 |
| Infiniti | 49 | — | 49 | 33 |
| Ford | 21 | 25 | 46 | 46 |
| Acura | 46 | — | 46 | 46 |
| Nissan | 31 | 13 | 44 | 44 |
| Mitsubishi | 30 | 4 | 34 | 30 |
| Mazda | 18 | 14 | 32 | 38 |
| Dodge | 11 | 15 | 26 | 25 |
| Hyundai | 22 | — | 22 | 20 |
| Isuzu | 4 | 18 | 22 | 19 |
| Pontiac | 17 | 1 | 18 | 17 |
| Volvo | 17 | — | 17 | 17 |
| Buick | 17 | — | 17 | 17 |
| Subaru | 15 | — | 15 | 11 |
| Oldsmobile | 13 | 1 | 14 | 13 |
| Mercury | 13 | — | 13 | 13 |
| VW | 12 | 1 | 13 | 15 |
| Mercedes | 12 | — | 12 | 14 |
| Plymouth | 6 | 6 | 12 | 11 |
| GMC | — | 11 | 11 | 12 |
| BMW | 11 | — | 11 | 12 |
| Jeep | — | 11 | 11 | 10 |
| Cadillac | 10 | — | 10 | 12 |
| Lincoln | 10 | — | 10 | 12 |
| Jaguar | 7 | — | 7 | 4 |
| Suzuki | 1 | 4 | 5 | 7 |
| Saab | 5 | — | 5 | 5 |
| Daihatsu | 3 | 1 | 4 | 3 |
| Audi | 4 | — | 4 | 4 |
| Chrysler | 4 | — | 4 | 4 |
| Eagle | 4 | — | 4 | 4 |
| Sterling | 3 | — | 3 | 2 |
| Range Rover | — | 3 | 3 | 3 |
| Peugeot | 2 | — | 2 | 2 |
| Alfa Romeo | 2 | — | 2 | 2 |
| Porsche | 2 | — | 2 | 2 |
| Yugo | 1 | — | 1 | 1 |

TRUCK INDUSTRY

# Pre-buying takes wind out of Class 8 sails in June

By Joseph Bohn
TRUCK EDITOR

Class 8 commercial truck orders fell through the floor in June in the aftermath of heavy pre-buying to avoid price hikes on 1992 models.

About 6,000 net new orders for Class 8s were placed in June, down from 8,651 a year ago, according to Rothschild Inc., a New York investment firm.

The June falloff followed a surge in May that saw orders climb to 11,869 units compared to 10,740 for the year-earlier period.

Industrywide price hikes of about 4 percent caused the heavy pre-buying in Class 8.

Frank Prezelski, an analyst with Rothschild, said that despite the volatility in orders, "the uptrend in the market is still under way." It is occurring more slowly, though, than originally appeared to be the case.

Ford Motor Co.'s Heavy Truck Operations, looking at a longer 60-day trend for Class 4-7, estimated May/June medium duty orders at 13,000 compared to 27,000 a year ago.

Terry Huber, Ford Heavy Truck Operations dealer sales manager, feels that medium duty sales are softer than those in Class 8 because smaller businesses, which comprise the heart of this market, are in a better position to postpone purchases than the over-the-road and linehaul operators in Class 8.

More difficult to explain, Huber added, is the recent slowdown in the overall low cab forward segment.

The medium duty low cab forwards accounted for 15.8 percent of Class 4-7 in 1988 but slipped to 13.5 percent during the first six months of calendar 1991, according to Motor Vehicle Manufacturers Association data.

The whole industry is watching this segment carefully because individual manufacturers, particularly major medium duty players such as Ford and Navistar International, have to make major product decisions, based on how they think the segment will grow.

Ford switched production of its medium duty Cargo models from Brazil to Louisville, Ky.; and, as part of a strategy to relaunch the vehicles, did not increase prices on 1992 models, as with its other medium and heavy trucks.

"We have aggressive plans, and are working on some pretty sizeable orders on Cargo," Huber said.

Prices on conventional medium duties typically increased in the 3 to 4 percent range, industrywide.

Some manufacturers still have price protection programs on 1992 models that will impact medium duty sales over the next few weeks.

Chevrolet and GMC Truck, for example, are price-protecting dealers on early 1992 medium-duty conventional truck orders placed by Aug. 9.

Chevrolet and GMC have gone from standard bias-ply tires and disc-style wheels to 100 percent Michelin radials and heavier-duty cast-spoke-style wheels on all their conventional medium-duties.

The radials alone cost about $450 more. But through Aug. 9, dealers can order a new model without the costlier tires and wheels. In essence, they can get a 1992 truck at a price within $70 of a 1991 model.

The extra $70 covers a sophisticated new wiring harness and synthetic rear-wheel lubrication, also standard on the 1992s.

General Motors officials anticipate that dealers will close a lot of transactions within the next three weeks, based on the availability of 1992 models at near-1991-model prices.

The addition of four standard items to GM medium-duties this year is somewhat unusual. Last year, GM added only one standard item to the vehicles.

Meanwhile, retail sales of medium and heavy trucks in June and the first six months of 1991 were extremely soft.

Class 4 sales, off 17.6 percent in June from a year-ago, showed some improvement over their 19.5 percent decline during the first six months of this year, according to the Motor Vehicle Manufacturers Association.

GM has been gearing up slowly in that segment with its HD3500, and, together with Ford Motor Co., accounts for just about all its sales.

Class 4 appears to be sapping at least the conventional side of the Class 5 segment. The only trucks still doing well in Class 5 are the low-cab-forward models, such as those of importers like Isuzu Truck, Nissan Diesel, Mitsubishi Fuso and Hino.

Overall, Class 5 sales were down 81.7 percent in June and 48.4 percent for the first six months, according to MVMA.

Class 5 will likely get a further jolt as a result of Chevrolet and GMC dropping the C-5HO42 model from its 1992 lineup.

That was GM's only Class 5 conventional model. It carried gross vehicle weight ratings of 16,650 to 22,000 pounds. To offset that, Chevrolet and GMC have been emphasizing sales of their Isuzu-built low-cabover Tiltmaster and Kodiak models.

Class 6 sales dropped 48.4 percent in June and 39.4 percent for the first six months of this year.

Class 7 sales were off 27.6 percent in June and 10.5 percent for the first six months. Class 8 was down 34.2 percent for the month and 23.1 percent for the first half.

## JUNE 1991 TRUCK SALES BY GVW

| | June 1991 | June 1990 | 6 mos. 1991 | 6 mos. 1990 |
|---|---|---|---|---|
| Class 1-3 | 108,417 | 134,884 | 577,808 | 717,703 |
| Class 4 | 1,959 | 2,680 | 10,431 | 14,475 |
| Class 6 | 684 | 505 | 2,674 | 2,525 |
| Class 7 | 1,514 | 2,415 | 9,877 | 13,776 |
| Class 8 | 772 | 1,161 | 4,112 | 6,909 |
| **FORD** | **113,346** | **141,645** | **604,902** | **755,388** |
| Class 8 | 1,709 | 1,992 | 10,946 | 11,778 |
| **FREIGHTLINER** | **1,709** | **1,992** | **10,946** | **11,778** |
| Class 1-3 | 101,494 | 113,397 | 535,671 | 658,829 |
| Class 4 | 147 | 0 | 703 | 0 |
| Class 5 | 4 | 13 | 55 | 150 |
| Class 6 | 229 | 514 | 1,597 | 3,503 |
| Class 7 | 632 | 539 | 3,212 | 3,504 |
| **CHEVROLET** | **102,506** | **114,463** | **541,238** | **665,986** |
| Class 1-3 | 26,978 | 27,808 | 139,375 | 168,990 |
| Class 4 | 119 | 0 | 507 | 0 |
| Class 5 | 37 | 213 | 199 | 1,630 |
| Class 6 | 229 | 598 | 1,892 | 2,588 |
| Class 7 | 1,019 | 1,407 | 7,809 | 7,119 |
| **GMC** | **28,382** | **30,025** | **149,782** | **180,327** |
| Class 7 | 52 | 10 | 144 | 203 |
| Class 8 | 917 | 1,273 | 5,335 | 7,532 |
| **KENWORTH** | **969** | **1,283** | **5,479** | **7,735** |
| Class 6 | 41 | 95 | 261 | 670 |
| Class 7 | 54 | 127 | 350 | 894 |
| Class 8 | 880 | 1,536 | 5,468 | 7,943 |
| **MACK** | **975** | **1,758** | **6,079** | **9,507** |
| Class 6 | 37 | 77 | 170 | 297 |
| Class 7 | 89 | 107 | 379 | 556 |
| **MERCEDES-BENZ** | **126** | **184** | **549** | **853** |
| Class 4 | 1 | 13 | 14 | 27 |
| Class 5 | 1 | 12 | 21 | 63 |
| Class 6 | 507 | 850 | 3,616 | 7,110 |
| Class 7 | 2,358 | 2,738 | 15,234 | 14,748 |
| Class 8 | 1,857 | 2,569 | 11,947 | 14,071 |
| **NAVISTAR** | **4,724** | **6,182** | **30,832** | **36,019** |
| Class 7 | 17 | 26 | 129 | 249 |
| Class 8 | 732 | 950 | 4,475 | 6,180 |
| **PETERBILT** | **749** | **976** | **4,604** | **6,429** |
| Class 7 | 124 | 79 | 423 | 387 |
| Class 8 | 1,042 | 1,161 | 5,202 | 7,264 |
| **VOLVO/GM HEAVY** | **1,166** | **1,240** | **5,625** | **7,651** |
| Class 1-3 | 27 | 35 | 150 | 180 |
| Class 4 | 8 | 0 | 16 | 0 |
| Class 5 | 56 | 52 | 218 | 240 |
| Class 6 | 71 | 76 | 323 | 317 |
| Class 7 | 85 | 94 | 352 | 535 |
| **HINO** | **247** | **257** | **1,059** | **1,272** |
| Class 1-3 | 65 | 57 | 282 | 368 |
| Class 5 | 72 | 85 | 378 | 484 |
| Class 6 | 36 | 62 | 187 | 256 |
| Class 7 | 21 | 52 | 176 | 276 |
| **NISSAN DIESEL** | **194** | **256** | **1,023** | **1,384** |
| Class 1-3 | 552 | 307 | 3,409 | 3,133 |
| Class 4 | 130 | 45 | 484 | 369 |
| Class 5 | 49 | 34 | 503 | 205 |
| Class 6 | 95 | 75 | 453 | 1,225 |
| Class 7 | 27 | 38 | 115 | 310 |
| **ISUZU TRUCK** | **853** | **499** | **4,964** | **5,242** |
| Class 1-3 | 128 | 223 | 832 | 989 |
| Class 5 | 55 | 62 | 307 | 368 |
| Class 6 | 22 | 28 | 172 | 135 |
| Class 7 | 26 | 47 | 178 | 301 |
| **MITSUBISHI FUSO** | **231** | **360** | **1,489** | **1,793** |
| Class 8 | 4 | 13 | 27 | 62 |
| **SCANIA** | **4** | **13** | **27** | **62** |
| Class 1-3 | — | 132 | — | 717 |
| Class 4 | — | 42 | — | 230 |
| Class 5 | — | 27 | — | 115 |
| Class 6 | — | 16 | — | 75 |
| **IVECO TRUCKS** | **0** | **217** | **0** | **1,137** |
| Class 8 | 38 | 85 | 326 | 512 |
| **WESTERN STAR** | **38** | **85** | **326** | **512** |
| Class 1-3 | 148,230 | 157,550 | 622,447 | 968,136 |
| Class 6 | 0 | 0 | 0 | 34 |
| Class 7 | 0 | 0 | 0 | 1 |
| Class 8 | 55 | 0 | 245 | 331 |
| **OTHER TRUCKS** | **148,285** | **157,550** | **622,692** | **968,502** |
| **CLASS 1-3** | **385,891** | **434,393** | **1,879,974** | **2,519,045** |
| **CLASS 4** | **2,364** | **2,780** | **12,155** | **15,101** |
| **CLASS 5** | **274** | **498** | **1,681** | **3,255** |
| **CLASS 6** | **1,951** | **2,896** | **11,345** | **18,735** |
| **CLASS 7** | **6,818** | **7,679** | **38,378** | **42,859** |
| **CLASS 8** | **8,986** | **10,740** | **48,983** | **62,582** |
| **TOTAL TRUCKS** | **404,584** | **458,986** | **1,991,616** | **2,661,577** |

SOURCE: Automotive News Data Center and MVMA

# Volvo GM to close Utah assembly plant

By Joseph Bohn
TRUCK EDITOR

Volvo GM Heavy Truck Corp. will permanently shutter its Ogden, Utah, assembly plant by year's end to cut costs.

Ogden is Volvo GM's smallest assembly plant. Thage Berggren, company president, said a small-capacity plant doesn't make "economic sense in the heavy-truck industry today. We determined that closing the Ogden plant was our best alternative to reduce fixed costs and lower the break-even point."

But aside from cutting overhead to stanch the company's flow of red ink, the closure also reflects its more sober view of the market and its own potential for growth.

Following Volvo White's merger with General Motors' heavy-truck operations in 1987, Volvo GM Heavy Truck went on a production capacity expansion binge in anticipation of substantial growth.

But for the first six months of 1991, its Class 8 sales of 5,202 vehicles were down 28.4 percent, and its share of the Class 8 market dropped to 10.8 percent from 11.6 percent a year earlier, according to Motor Vehicle Manufacturers Association data.

The cyclical and highly competitive Class 8 market has gone through a 20-month sales decline.

Industrywide, U.S. retail sales dipped from 145,000 in 1989 to 121,000 in 1990 and are projected to drop to about 100,000 this year.

Volvo GM officials are looking for only a modest recovery to about 120,000 sales in calendar 1992.

The Ogden plant currently produces 12 Class 8 trucks a day and has 362 employees.

The company plans to transfer Autocar production at Ogden to its newest Orrville, Ohio, plant. Up to 40 Odgen employes may be transferred to the Ohio plant. The company also plans to transfer WhiteGMC models built at Ogden to its Dublin, Va., plant.

Volvo GM has more than enough capacity to meet current projected market demand.

Its Ohio plant, which has a daily capacity of 50 trucks on two-shift operations, is currently producing 20 vehicles a day. The Virginia plant has a daily capacity of 60 trucks on two-shift operations and is currently producing 36 a day.

Production at Ogden will drop to 10 trucks a day in October in preparation for the transfers. There will be no layoffs at Ogden when production is reduced in October. A skeleton staff will continue to work at the plant in early 1992 to complete its close-down, prior to its eventual sale.

## BRIEFS

### Kelsey-Hayes links wheel, brake units

ROMULUS, Mich. — The Kelsey-Hayes Group formed the Heavy Duty Truck and Trailer Brakes Business by combining its medium- and heavy-duty wheel-end and brake operations here with those of Dayton Walther in Dayton, Ohio.

The operation, headquartered in Dayton, produces cast spoke wheels, hubs, drums and rotors for medium and heavy trucks and trailers; anti-lock brake systems and hydraulic brake components for medium trucks, and landing gear for heavy-duty trailers.

The Heavy Duty Truck and Trailer Brakes Business is also working with truckmakers on Class 6 and 7 ABS, according to Steven M. Palm, president.

He projects 1991 sales of $88 million and has a goal of $137 million in sales by 1997.

### Ford tinkers with truck options

DETROIT — The Detroit Diesel series 60 engine will be switched from a special to a regular production option in Ford Heavy Truck's L-9000 series in August.

Ford also plans to offer a liquid propane gas conversion on its 429 electronically fuel-injected gas engine for medium-duty trucks late in the 1992 model year.

The company dropped it a while ago because of emissions problems, but plans to reintroduce it.

After dropping the gas engine in its F-800 series, Ford now designates remaining gas engine models in the 600 and 700 series as F600G and F700G.

# Germany's strength pushes Europe to sales gains

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, Germany — Pulled along by the German locomotive, new-car sales in Europe rose 7.6 percent in June and, at midyear, were slightly ahead of the 1990 pace that resulted in a record 13.4 million sales for the full year.

But the overall figures belie the distress in several important markets, notably the United Kingdom and France.

German sales, including the five new states that comprised the former East Germany, were up 50.7 percent for the first half. In June, sales soared 61.7 percent over 1990 (to 419,300 units), according to industry estimates compiled by *Automotive News*.

But while German demand was exploding, Europe's other major markets — Britain, Italy, France and Spain — were collapsing. The resulting imbalance resulted in German sales accounting for a phenomenal 35 percent of all cars sold in 17 Western European countries in June.

That compares with just over 20 percent in recent years.

Still, many analysts believe that German sales will slump in the second half due to a combination of income tax and fuel tax hikes that take effect this summer.

In addition, some dealers cite a growing glut of unsold used cars — a possible indicator that the powerful demand from the former East Germany, which largely fueled the west German sales boom during the past year, is waning.

Still, Ford of Germany Chairman John Hardiman forecast in an interview that German sales will rise to 3.9 million units this year from 3.27 million in 1990.

General Motors Europe now expects a market of slightly more than 4 million new cars.

Both projections reflect sales of about 400,000 units in the former East Germany.

European sales rose 1.7 percent (to 7,396,500 units) in the first half and jumped 7.6 percent (to 1,173,400 units) in June over the same period in 1990.

But car sales in the United Kingdom slid 24.8 percent, to 801,700, during the first half and dropped 31 percent, to 98,200, in June. French sales were off 16.6 percent (to 990,700 units), in the first half and declined 13.3 percent to 131,200 last month.

Manufacturers with high sales in Germany have benefited this year. Volkswagen Group sales, including the VW, Audi and Seat brands, were up 11.9 percent, to 1,237,300, for the January-June period. VW's first-place market share of 15.2 percent in 1990 climbed to 16.7 percent this year.

General Motors Europe sales, excluding Saab Automobile AB, rose 10.1 percent, to 915,400. Despite capacity limitations, GM's market share rose from 11.4 percent last year to 12.4 percent.

Ford of Europe, the leader in the depressed British market, offset much of that decline with strong sales in Germany. Ford's German sales rose 52 percent in the first half, to 251,900.

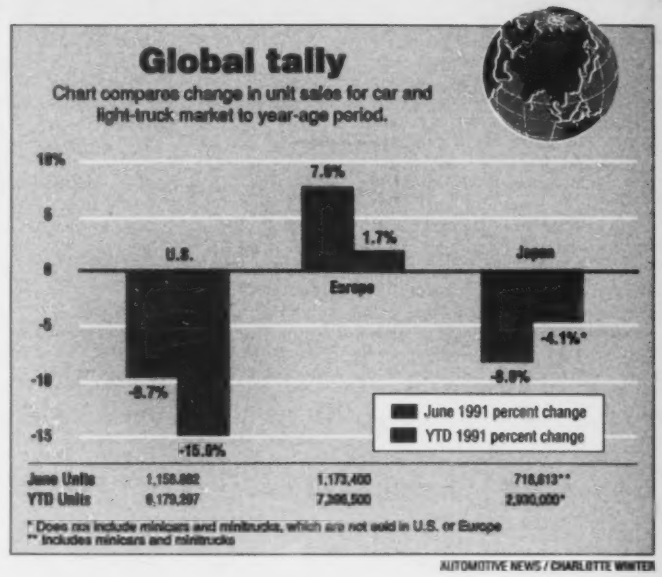
Ford of Europe officials now expect the company's German volume to surpass sales in the United Kingdom for the first time. In Britain, Ford was off 28 percent, to 197,400, in the first half, although it still commands about one-quarter of the market.

Despite selling 75,000 fewer cars in Britain during the first half, Ford's overall European sales rose 6.4 percent, and market share climbed from 11.5 percent in 1990 to 12.1 percent.

Second-place Fiat Group declined 11.3 percent, to 973,000, in the first half. Market share, which was 15.1 percent in 1989, fell to 13.2 percent on a steep decline in its home-market penetration.

During the first half, the Japanese quietly increased their overall car-market share to 12.2 percent from 11.2 percent in the first half last year and 11.8 percent for all of 1990.

Japanese producers had difficulty keeping up with the German boom in the first half as market share fell from 15.7 percent last year to 13.6 percent. But in June, the Japanese increased German volume 61 percent, to 62,100, and pushed their share of the overall market to 14.8 percent.



AUTOMOTIVE NEWS / CHARLOTTE WINTER

## NEW-CAR SALES BY COUNTRY IN EUROPE

| Country | 6 months, 1991 | Pct. change vs. 1990 |
|---|---|---|
| Germany | 2,366,200 | +50.7 |
| Italy | 1,367,900 | – 2.2 |
| United Kingdom | 801,700 | –24.8 |
| France | 990,700 | –16.6 |
| Spain | 453,500 | –16.4 |
| Netherlands | 314,700 | – 1.8 |
| Belgium-Luxembourg | 295,200 | – 1.8 |
| Switzerland | 180,000 | – 7.3 |
| Austria | 173,300 | + 3.8 |
| Portugal | 107,800 | + 2.4 |
| Sweden | 100,100 | –26.7 |
| Greece | 71,400 | +24.0 |
| Finland | 53,700 | –38.5 |
| Denmark | 47,700 | – 0.0 |
| Ireland | 45,200 | –17.1 |
| Norway | 27,400 | –16.2 |
| **Total** | **7,396,500** | **+ 1.7** |

## EUROPEAN SALES

| Manufacturer | 6 months, 1991 | 1991 share | 6 months, 1990 | Volume change (%) '91 vs. '90 |
|---|---|---|---|---|
| Volkswagen | 1,237,300 | 16.7 | 1,105,900 | +11.9 |
| Fiat Auto[1] | 973,000 | 13.2 | 1,096,600 | –11.3 |
| General Motors[2] | 915,400 | 12.4 | 831,800 | +10.1 |
| Ford[3] | 893,100 | 12.1 | 839,100 | + 6.4 |
| (Jaguar | 6,700 | 0.1 | 10,400 | –35.6) |
| Peugeot S.A.[4] | 836,900 | 11.3 | 932,900 | –10.3 |
| Renault | 708,600 | 9.6 | 716,900 | – 1.2 |
| Mercedes-Benz | 250,300 | 3.4 | 224,000 | +11.7 |
| Nissan | 236,600 | 3.2 | 204,300 | +15.8 |
| BMW | 208,600 | 2.8 | 197,800 | + 5.5 |
| Toyota | 191,100 | 2.6 | 189,000 | + 1.1 |
| Rover | 184,200 | 2.5 | 204,100 | – 9.8 |
| Mazda | 156,300 | 2.1 | 144,600 | + 8.1 |
| Volvo | 112,600 | 1.5 | 136,400 | –17.4 |
| Mitsubishi | 105,200 | 1.4 | 90,300 | +16.5 |
| Honda | 87,400 | 1.2 | 80,900 | + 8.0 |
| Suzuki | 53,800 | 0.7 | 53,300 | + 0.9 |
| Lada | 47,400 | 0.6 | 54,800 | –13.5 |
| Subaru | 29,700 | 0.4 | 27,600 | + 7.6 |
| Daihatsu | 29,000 | 0.4 | 21,700 | +33.6 |
| Saab | 27,700 | 0.4 | 32,100 | –13.7 |
| Skoda | 23,800 | 0.3 | 13,300 | +78.9 |
| Others | 88,500 | 1.2 | 72,500 | +22.1 |
| **Total** | **7,396,500** | **100.0** | **7,269,900** | **+ 1.7** |

1-Includes Alfa Romeo, Lancia
2-Opel; Vauxhall; GM-U.S., Canada; Isuzu; not Saab
3-Includes Jaguar
4-Peugeot, Citroen, Talbot

# Mexico's May sales increase 14.2%

MEXICO CITY — Mexico's Big Five car and truck makers slowed down from their earlier pace in May but still boosted sales 14.2 percent over last year.

Together, they sold 53,172 Mexican-built vehicles during the month, bringing their year-to-date increase to 32.6 percent. The Big Five also sold 537 imported vehicles in May.

Volkswagen, the Mexican industry's sales leader, had an 18 percent sales gain in May over the year-ago period. Ford, General Motors and Chrysler also had double-digit gains, while Nissan's sales were off slightly.

## MEXICAN VEHICLE SALES

| | May 1991 | May 1990 | Jan.-May 1991 | Jan.-May 1990 |
|---|---|---|---|---|
| Volkswagen | 13,583 | 11,510 | 63,469 | 52,799 |
| Ford | 10,247 | 8,830 | 49,655 | 21,654 |
| Nissan | 10,776 | 10,911 | 49,321 | 41,861 |
| General Motors | 9,564 | 8,238 | 45,125 | 35,252 |
| Chrysler | 9,002 | 7,054 | 42,648 | 37,090 |
| **TOTAL** | **53,172** | **46,543** | **250,218** | **188,656** |

Source: Mexican Automotive Industry Association

VW remained far ahead of its competitors, with 63,469 sales for the first five months of this year. Ford and Nissan followed, in a virtual tie for second at more than 49,000 units.

Through the first five months, the Big Five sold a combined 250,218 vehicles; smaller truckmakers accounted for an additional 15,000 sales.

— Stephen Downer

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# June sales move ahead in Canada

## CANADIAN CAR AND TRUCK SALES

JUNE 1991

| | June 1991 | June 1990 | 6 mos. 1991 | 6 mos. 1990 |
|---|---|---|---|---|
| **BMW** (imported car) | **420** | **400** | **2,070** | **1,917** |
| N.A. car | 8,795 | 9,635 | 53,345 | 60,350 |
| Imported car | 1,752 | 2,323 | 10,158 | 8,676 |
| N.A. truck | 10,028 | 8,489 | 51,388 | 50,156 |
| Imported truck | 154 | 112 | 714 | 1,048 |
| **CHRYSLER** | **20,729** | **20,559** | **115,605** | **120,230** |
| N.A. car | 16,165 | 15,885 | 75,790 | 82,730 |
| Imported car | 583 | 564 | 4,060 | 3,212 |
| N.A. truck | 10,901 | 12,364 | 52,925 | 68,562 |
| **FORD** | **27,649** | **28,813** | **132,775** | **154,504** |
| N.A. car | 36,718 | 32,213 | 159,313 | 165,364 |
| Imported car** | 553 | 433 | 2,671 | 2,258 |
| N.A. truck | 15,159 | 14,242 | 75,015 | 81,306 |
| Imported truck | 261 | 143 | 1,946 | 2,112 |
| **GM** | **52,691** | **47,031** | **238,945** | **251,040** |
| N.A. car | 2,339 | 3,219 | 12,697 | 17,076 |
| Imported car | 8,000 | 6,242 | 42,977 | 35,088 |
| **HONDA** | **10,339** | **9,461** | **55,674** | **52,164** |
| N.A. car | 449 | 486 | 2,627 | 2,795 |
| Imported car | 1,669 | 1,530 | 8,828 | 8,806 |
| **HYUNDAI** | **2,118** | **2,016** | **11,455** | **11,601** |
| **JAGUAR** (imported car) | **70** | **112** | **371** | **632** |
| Imported car | 31 | 79 | 229 | 350 |
| Imported truck | 9 | 22 | 86 | 90 |
| **LADA** | **40** | **101** | **315** | **440** |
| **LAND ROVER** (imported truck) | **12** | **2** | **69** | **2** |
| N.A. car | 797 | 1,073 | 3,545 | 1,975 |
| Imported car | 2,843 | 3,144 | 16,311 | 15,262 |
| Truck* | 2,936 | 1,954 | 12,787 | 9,650 |
| **MAZDA** | **6,576** | **6,171** | **32,643** | **26,887** |
| **MERCEDES-BENZ** (imported car) | **373** | **430** | **1,903** | **2,212** |
| N.A. car | 1,051 | 0 | 4,467 | 0 |
| Imported car | 2,007 | 2,967 | 11,017 | 13,271 |
| Truck* | 1,161 | 1,471 | 6,426 | 7,688 |
| **NISSAN** | **4,219** | **4,438** | **21,910** | **20,959** |
| **PEUGEOT** (imported car) | **20** | **17** | **88** | **59** |
| **SUBARU** (imported car) | **588** | **759** | **4,337** | **3,746** |
| N.A. car | 149 | 37 | 730 | 127 |
| Imported car | 316 | 921 | 2,698 | 4,257 |
| N.A. truck | 231 | 406 | 2,110 | 795 |
| Imported truck | 347 | 611 | 2,085 | 3,353 |
| **SUZUKI** | **1,043** | **1,975** | **7,623** | **8,532** |
| N.A. car | 2,468 | 982 | 11,648 | 5,438 |
| Imported car | 5,317 | 5,952 | 27,403 | 35,940 |
| Imported truck | 2,101 | 1,427 | 10,586 | 9,229 |
| **TOYOTA** | **9,886** | **8,361** | **49,637** | **50,607** |
| Imported car | 3,148 | 3,647 | 17,857 | 17,963 |
| Imported truck | 131 | 168 | 480 | 525 |
| **VOLKSWAGEN** | **3,279** | **3,815** | **18,337** | **18,488** |
| N.A. car | 105 | 277 | 961 | 1,673 |
| Imported car | 227 | 215 | 1,398 | 1,264 |
| **VOLVO** | **332** | **492** | **2,359** | **2,937** |
| **N.A. car** | **69,036** | **63,807** | **325,123** | **337,528** |
| **Imported car** | **27,917** | **29,735** | **154,376** | **154,913** |
| **TOTAL CAR** | **96,953** | **93,542** | **479,499** | **492,441** |
| **N.A. truck** | **36,319** | **35,501** | **181,438** | **200,819** |
| **Imported truck** | **7,112** | **5,910** | **35,179** | **33,697** |
| **TOTAL TRUCK** | **43,431** | **41,411** | **216,617** | **234,516** |
| **TOTAL CANADA SALES** | **140,384** | **134,953** | **696,116** | **726,957** |

*Break down of N.A.-built and imported sales not available.
**Includes Passport and Saab sales.
NOTE: N.A. sales are cars and trucks built in the United States and Canada.
Source: Automotive News Data Center and Assn. of Intl. Automobile Mfrs. of Canada

By Anne E. Wright
AUTOMOTIVE NEWS CHIEF STATISTICIAN

Sales of light vehicles in Canada picked up steam in June.

Total car and truck sales edged up to 140,384, an increase of 4.02 percent over the same month a year-ago.

That helped lift second-quarter sales 2.82 percent over the same quarter in 1990. The increase followed a 13.53 percent drop in the first quarter.

"Early signs of economic recovery are beginning to influence consumer confidence," said Ted C. Goellner, vice president of general sales at Ford of Canada.

The sales gains are coming with incentives still in full flower. But that doesn't always guarantee success. Chrysler cars, for example, aren't doing well, but the company's minivans are exceptionally popular, with record sales of 28,373 for the first half.

Generally, there's a customer resurgence in core car lines, with some vehicles that require discretionary income not doing so well. Mercedes-Benz, Volvo and Jaguar all had double-digit declines for June and the first half. BMW has been an exception to that trend, up for the month and the year.

The first half of 1991 wound up with sales of 696,116 cars and trucks, 4.24 percent behind 1990's midyear total.

Car sales increased for the third month in a row, pulling ahead of the year-ago month by 3.65 percent.

Truck sales rose to 43,431, up 4.88 percent over June 1990.

In June, General Motors reported gains in both car and truck sales for the first time this year. Cars were up 14.17 percent and trucks rose 7.19 percent for a combined increase of 12.03 percent over June 1990.

Chrysler Canada squeaked ahead of last year by 0.83 percent in June. Truck sales soared 18.38 percent above the year-ago month, which countered the 11.80 percent drop in car sales.

Ford reported its best monthly car sales in more than a year with June sales climbing to 16,748, up 1.82 percent over June 1990. Truck sales for the month were down 11.8 percent from last year. Year-to-date Ford's combined car and truck sales were 14.06 percent behind 1990.

*Staff Correspondent Alex Law in Toronto contributed to this report.*

# Luxury tax is more than money

## *Rolls prospects are so mad, they won't even let the maker pay it*

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — Rolls-Royce and Jaguar are learning that some people hate the luxury tax so much they won't let someone *else* pay the tax *for* them.

Rolls-Royce Motor Cars Inc. started paying $10,000 to $20,000 per car last month to cover the luxury tax for its customers. Sales improved.

But sales are still only a fraction of last year's average of about 100 cars per month. The offer was supposed to expire a week ago, but Rolls-Royce extended it through Aug. 12.

That could be a bad sign for Jaguar Cars Inc. and other luxury importers.

Jaguar started paying the luxury tax for all its customers June 1, ranging from about $1,000 to $3,000 per car. Jaguar sales jumped from 525 in May to 891 in June, but Jaguar sales were still down 41.8 percent compared to the year-ago month, and first-half sales were down 54 percent.

The Jaguar offer is scheduled to expire Aug. 31.

"People are so incensed about the luxury tax that they don't even want Rolls-Royce paying it for them. They just say, 'No, I don't need a car,' " said dealer James A. Willingham, who has a Rolls-Royce store in Monterey, Calif.

Rolls-Royce doesn't publish sales figures until the end of the year, but the company said sales fell "more than 50 percent" when the tax on cars over $30,000 kicked in on Jan. 1.

Rolls-Royce isn't saying how much sales improved when the tax rebate began June 10, but company spokesman Reg Abbiss said sales were still below last year's monthly average.

Willingham said in his experience, the rebate helped sales go "from 80 percent down to 60 percent down. That's some improvement, but it's still 60 percent down."

The sales decline for the entire U.S. industry was 15 percent for the first half of this year.

Willingham has several luxury franchises, including Jaguar, Ferrari and Rolls-Royce. He is a leader in an effort to get the luxury tax repealed, as chairman of the Dealer Election Action Committee, the political action group for the National Automobile Dealers Association.

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## INCENTIVE WATCH
### DEALER INCENTIVES
*CONTINUING PROGRAMS*

**ALFA ROMEO (expires Dec. 31)**

| | |
|---|---|
| 164, 164L automatic (1991) | Up to $200 per car monthly in floorplan aid |

**AUDI (expires Sept. 30)**

| | |
|---|---|
| 100/200 | $2,000-3,500 |

**CHRYSLER CORP. (expires Sept. 30 unless otherwise noted)**

| | |
|---|---|
| Dodge Shadow, Spirit (1991) | $100-700, quota |
| Monaco (1991) | $1,000-2,000, based on sales |
| Colt, Colt Vista (1990-91)* | Up to $700, quota |
| Dodge truck | |
| Ram Club Cab (1990-91) | $1,000 |
| Ram D/W (1990-91) | $500 |
| Ramcharger (1990-91) | $1,000 |
| Eagle Premier (1991) | $1,000-2,000, based on sales |
| Jeep Cherokee (1991) | $500 |
| Plymouth Sundance, Acclaim (1990-91) | $100-700, quota |
| Colt, Colt Vista (1990-91)* | Up to $700, quota |
| Minivans (1991) without air bags | $500 |

*Expires July 31

**FORD MOTOR CO. (expires July 31)**

Ford Escort (1991), Crown Victoria (1990-91-92) and F-series pickup (1990-91)

| | |
|---|---|
| 100 percent of quota | $500-15,000 |
| 110 percent of quota | $750-22,500 |
| 120 percent of quota | $1,000-30,000 |

Dealerships divided into seven groups, based on number of units in quota. Payments listed above are the range of total amounts for the seven groups.

Program includes Mercury Tracer (1991) and Grand Marquis (1990-91-92) for Ford-Mercury dual dealerships.

**GENERAL MOTORS**

| | |
|---|---|
| Cadillac Allante (1991) (no expiration date) | $7,500 on first sale, $8,500 on additional sales |
| Oldsmobile (expires Sept. 25) | |
| Eighty Eight (1991) | $1,000 |

**HONDA (expires July 31)**

| | |
|---|---|
| Civic 4-dr. (1991) | $400 |

**HYUNDAI (expires Oct. 2)**

| | |
|---|---|
| Sonata SE, Scoupe SE (1991) | $100-300, based on sales |

**ISUZU (expires Sept. 16)**

| | |
|---|---|
| Stylus S, Impulse XS (1991) | $700 |
| Stylus XS, Impulse RS (1991) | $1,500 |
| Pickup (1991) | $700-1,000, based on sales |
| Trooper (1991) | $1,600-1,800, based on sales |

**MAZDA (expires Aug. 2)**

| | |
|---|---|
| MPV (1991) | $500 |

**MERCEDES-BENZ (1991 models, no expiration date listed)**

| | |
|---|---|
| 300SE, 300SD, 300SDL, 300SEL | $3,000 |
| 420SEL, 560SEL | $5,000 |

**NISSAN (1991, expires Aug. 2)**

| | |
|---|---|
| Sentra E, XE, GXE | $400 |
| Stanza | $1,400 |
| Maxima | $800-1,000, quota |
| 240SX | $600-800, quota |
| 300ZX | $1,500 |
| Trucks | $1,200 |
| Trucks (California only) | $1,300-1,500, quota |
| Pathfinder | $1,000-1,400, quota |
| Additional rebate, all models | $1,000 quota |

**PEUGEOT (1990, no expiration date) $2,000**

**SUZUKI (expires Aug. 2)**

| | |
|---|---|
| Swift (1990-91) | $400-1,000 |
| Sidekick (1990) | $1,000 |
| Sidekick (1991) | $300-1,000 |

**TOYOTA (expires Aug. 2)**

| | |
|---|---|
| Corolla | $300-900, based on number sold |
| Camry, trucks | $300-1,100, based on number sold |

**VOLKSWAGEN**

| | |
|---|---|
| All cars (1990, no expiration date) | $500-1,500 |

**VOLVO (expires Aug. 18)**

| | |
|---|---|
| 740 and 940 (1991) | $1,500 |

# Record-setting rebates? Allante ranges from $7,500 to $8,500

By Arlena Sawyers
AUTOMOTIVE NEWS STAFF REPORTER

The Cadillac Allante has the dubious distinction of carrying what may be the highest rebate ever.

Cadillac is offering dealers $7,500 to $8,500 on the 1991 Allante "until further notice."

Oldsmobile, GMC Truck and American Honda Motor Co. Inc. also are offering consumer or dealer incentives.

According to dealers, **Cadillac** is paying $7,500 for the first Allante sold and $8,500 for subsequent sales. The two-seat luxury convertibles are priced at $55,960 and $61,510.

**Oldsmobile** is continuing its regional incentive programs. For example, it is offering Michigan dealers $1,000 on 1991 Eighty Eights sold through Sept. 25.

Oldsmobile began shipping 1992 Eighty Eights to dealerships last month.

**GMC Truck** is also in the midst of its cleanup program. The division is offering consumers $500 to $1,500 on 1991 trucks. The rebates also include $1,500 on the 1990 V Jimmy and Suburban and $500 on the 1990 G van. GMC Truck's alternate finance rates, which previously ranged from 7.9 to 10.9 percent, were reduced to 6.9 percent for 24-, 36- and 48-month contracts. The program expires Sept. 25.

Through July 31, **American Honda Motor Co. Inc.** is offering dealers $400 on sales of four-door Honda Civics.

*Special Correspondent Darrell Pressley contributed to this report.*

## INCENTIVE WATCH — CUSTOMER INCENTIVES
*CONTINUING PROGRAMS*

**CHRYSLER CORP.**

Finance rates in lieu of rebates start at 7.9 percent on minivans, 2.9 percent on other models. Programs expire Sept. 30.

| | |
|---|---|
| Chrysler Imperial, New Yorker Fifth Avenue (1990-91) | $1,500 |
| LeBaron, N.Y. Salon (1990-91) | $1,000 |
| N.Y. Landau (1990) | $700 |
| Dodge Monaco (1990-91) | $1,500 |
| Spirit, Dynasty (1990-91) | $1,000 |
| Shadow conv. (1991) | $1,000 |
| Colt Vista (1990) | $1,000 |
| Colt GL (1991), Colt (1990), Shadow (1990), Daytona (1990-91) | $700 |
| Shadow Highline (1991) | $500 |
| Colt base (1991) | $400 |
| Dodge Trucks | |
| Ram D/W, Ramcharger (1990) | $2,000 |
| Ram van conversion (1990) | $1,750 |
| Ram D/W (1991), Dakota, Ram van, Ram wagon (1990) | $1,500 |
| Dakota, Ram wagon, van, conversion van, Ramcharger (1991) | $1,000 |
| Ram 50, Power Ram 50 (1990) | $500 |
| Ram 50, Power Ram 50 (1991) | $300 |
| Eagle Premier (1990-91) | $1,500 |
| Talon (1990) | $1,000 |
| Talon (1991) | $700 |
| Summit (1991, except base), all Summit (1990) | $700 |
| Summit base 3-dr. (1991) | $400 |
| Jeep Cherokee (1990) | $2,000 |
| Cherokee (1991), Grand Wagoneer (1990-91) | $1,500 |
| Comanche (1990-91) | $1,000 |
| Wrangler (1990-91) | $500 |
| Plymouth Acclaim (1990-91), Laser (1990), Colt Vista (1990) | $1,000 |
| Colt GL (1991), Colt (1990), Laser (1991), Sundance (1990) | $700 |
| Sundance Highline (1991) | $500 |
| Colt base (1991) | $400 |
| All minivans (1991) | $500 |
| All minivans (1990) | $1,500 |

**FORD MOTOR CO.**

1990-91 models. Finance rates in lieu of rebates are 4.8 percent on Festiva, Escort (except Pony), Tracer; 7.9 percent on others. Terms are 24, 36 or 48 months. All incentives expire July 30.

| | |
|---|---|
| Ford Festiva, Escort Pony and LX, hatchbacks, Mustang | $500 |
| Tempo | $600 |
| Thunderbird | $600-750 |
| Escort wagon, GT | $750 |
| Taurus | $750 |
| Taurus SHO | $1,600 |
| Probe | $1,000 |
| Crown Victoria (1991) | $1,500 |
| F series, Econoline (1991) | $500 |
| Ranger, Aerostar, F series (over 8,500 gvw) | $1,000 |
| Econoline E150 (1990, with conversion pkg.) | $1,500 |
| Econoline E150 (1991, with conversion pkg.) | $1,000 |
| Bronco | $1,500 |
| Mercury Tracer sedan | $500 |
| Topaz, Capri | $600 |
| Cougar | $600-1,000 |
| Tracer LTS and wagon | $750 |
| Sable | $750 |
| Grand Marquis (1991) | $1,000 |

**GENERAL MOTORS**

Expires Sept. 25 unless otherwise noted. Finance rates in lieu of rebates start at 4.9 percent for Buick and Pontiac, 6.9 percent for Chevrolet and GMC. Geo Prizms delivered by July 30 can be financed at 2.9 percent.

| | |
|---|---|
| Buick (1991)* | |
| Skylark, Century, Regal, LeSabre | $250-1,000 |
| Riviera, Reatta | $2,000 |
| *Based on option package ordered. | |
| Cadillac (1991) | |
| Brougham (expires July 31) | $1,500 |
| Chevrolet cars (1991) | |
| Cavalier | $300 |
| Geo Metro | $400 |
| Camaro, Corsica, Beretta | $500 |
| Geo Storm, Geo Prizm, Lumina, Caprice | $1,000 |
| Chevrolet trucks(1991) | |
| G van | $500-1,000 |
| C/K (except 454SS), R/V | $500 |
| Geo Tracker | $750 |
| Astro, S/T pickup, S/T Blazer Tahoe, Lumina APV | $1,000 |
| Other S/T Blazer (1991); V Blazer (1990-91), Suburban (1990-91) | $1,500 |
| GMC | |
| G van (1990), R/V (1991), Sierra (1991) | $500 |
| Sonoma (1991), S15 Jimmy (1991 4-dr. SLT), G van (1991), Safari (1991) | $1,000 |
| S15 Jimmy (1991), V Jimmy (1990-91), Suburban (1990-91) | $1,500 |
| Oldsmobile (1991) | |
| Oldsmobile has regional programs. This is an example. | |
| Cutlass Calais, Cutlass Supreme, Olds 88, Silhouette | $1,000 |
| Custom Cruiser, Bravada | $1,200 |
| Cutlass Ciera, 98 | $,1500 |
| Toronado | $2,000 |
| Pontiac (1991) | |
| Grand Am, Trans Sport | $750 |
| Firebird, Grand Prix | $1,000 |
| Bonneville | $1,500 |

**HYUNDAI (expires Oct. 2)**

| | |
|---|---|
| Excel (1990-91) | $500-1,000 |
| Sonata (1990-91, except SE) | $1,000 |
| Scoupe (1991, except SE) | $750 |
| All models | $300 to military personnel |
| All models | $1,000 if Hyundai is traded |

**MAZDA (expires Aug. 2)**

| | |
|---|---|
| Trucks (1991) | $500-1,300* |
| *Based on region. | |

**SAAB**

3.5 percent financing on 9000 models (1991) for 24, 36 or 48 months with down-payment of 25 percent. Expires July 31.

**SUBARU (expires Oct. 2)**

| | |
|---|---|
| Loyale 4wd (1991) | $500 |
| Legacy (1991) | $1,200 |
| XT, XT6 (1991) | $2,000 |

# CHRYSLER

FROM PAGE 1

who requested the carryover allowance by the company's July 10 deadline was "nil or few."

"The incentives are proving more attractive to dealers," Jakobowski said.

Dealers said participation in the incentive programs will result in more revenue and help sell vehicles faster. In addition, dealers said they cannot sell vehicles competitively without the incentives.

NADA maintains that dealers should not have to chose between incentive programs and a carryover allowance but are entitled to both.

"NADA is still calling for a carryover allowance," an NADA spokesman said. "We think dealers should be compensated for an aged inventory in addition to incentives. Incentives are just the cost of doing business today."

General Motors and Ford Motor Co. have notified their dealers that a 5 percent carryover allowance will be paid on 1991 models. But both companies have also told dealers that if market conditions demand it, dealers may be asked to chose between the carryover payment and incentive program participation.

Last week Ford and GM spokesmen said that the companies have not had to ask dealers to chose between the two programs since the carryover allowance was announced in April.

Chrysler dealers have year-in and year-out asked the company to pay a carryover allowance. The issue has been a standing item on the agenda at meetings of Chrysler executives and national dealer councils for several years. But this spring, the subject was not even raised in dealer council sessions, dealers said.

Chrysler said it voluntarily offered the 5 percent stock allowance this year as "a safety net" for dealers because the buildout incentive program was not finalized when dealers' buildout orders were being sought.

Chrysler said it last offered the option of a carryover allowance or incentive participation in July 1978.

The carryover allowance is premised on the assumption that previous-year cars and trucks still in inventory after new-model introduction have less value. It compensates for that reduced value by giving dealers a payment that can be passed along to customers.

If Chrysler dealers opt for the 5 percent stock allowance, they are not eligible to participate in the current round of consumer financing and cash-back incentive programs that expire Sept. 30. They are also ineligible for dealer cash incentives. The consumer rebates range from $300 to $1,500 on 1991 cars and trucks. The dealer rebates, which cover fewer models, range from $100 to $2,000.

Dealers who choose the carryover allowance remain eligible for the Advantage Gold Key lease program, the armed forces allowance, the college graduate allowance and the first-time buyer incentive. The dealerships also continue to participate in factory-paid incentives to sales managers and salespersons.

> Chrysler last offered a carryover allowance option in July 1978.

General Motors this spring said it will pay a 5 percent carryover allowance on 1991 vehicles left in dealers' inventory when the 1992 model year begins. It will pay dealers 5 percent of sticker price for each vehicle delivered to customers through March 31, 1992.

In addition, dealers will receive a lump-sum payment of 5 percent for all eligible 1991 vehicles in inventory on April 1, 1992.

At GM, the carryover allowance dates back to the mid-1950s. In recent years, because of high inventories, GM has given dealers the option of participating in model closeout retail promotions. Those programs were offered instead of or in combination with the carryover allowance.

Ford in April announced a 5 percent carryover allowance for most 1991 vehicles still in dealers' inventories after 1992 models are introduced.

The program is effective from the official 1992 model introduction through March 31, 1992.

# Penske subsidiary OKs Mercedes-Benz truck deal

By Joseph Bohn
TRUCK EDITOR

Diesel Technology Corp. of Grand Rapids, Mich., signed a development contract with Mercedes-Benz AG of Stuttgart, Germany, for the design and manufacture of electronic fuel injection systems for Mercedes-Benz medium and/or heavy trucks.

Diesel Technology already supplies Mercedes-Benz's U.S. heavy-truck manufacturing subsidiary, Freightliner Corp. in Portland, Ore., through its affiliation with Detroit Diesel Corp. Diesel Technology and Detroit Diesel are both owned by Penske Transportation Inc.

Derek Kaufman, Detroit Diesel president, said the contract prohibited him from discussing which engines and intended truck models were involved.

This summer, Freightliner began full-scale U.S. production of a new line of medium-duty trucks for the first time. These vehicles offer both a Brazilian-sourced Mercedes-Benz engine, as well as a U.S.-sourced Cummins engine.

The new contract could be aimed at one or both engines.

Helmut Werner, deputy chairman of Mercedes-Benz AG, said the new agreement is for an exchange of technical knowledge and the development of electronic fuel injection systems to enable Mercedes to meet stricter U.S. diesel pollution standards in 1994 and 1998 with a minimal fuel penalty.

Mercedes-Benz and Detroit Diesel formed a joint project team to promote fuel system design and development, Detroit Diesel production planning, procurement of parts and establishment of a service support network.

Production of the new fuel injection is scheduled to start by the mid-1990s.

Earlier discussions between the two companies gave rise to rumors that Mercedes might be acquiring Penske's Detroit Diesel Corp.

# PRODUCTION

## SCHEDULED PLANT CLOSINGS

| Plant | Weeks down | Units lost/ week |
|---|---|---|
| **CHRYSLER** | | |
| **Belvidere, Ill.** | 7/22, 7/29, 8/5 | * |
| Chrysler Fifth Ave. | | |
| Chrysler Imperial | | |
| Chrysler New Yorker | | |
| Dodge Dynasty | | |
| **Brampton, Ontario** | 7/22 | * |
| Dodge Monaco | | |
| Eagle Premier | | |
| **Brampton, Ontario** | 7/22, 7/29 | * |
| Jeep Wrangler | | |
| **Newark, Del.** | 7/22, 7/29, 8/5 | * |
| Dodge Spirit | | |
| Chrysler LeBaron J | | |
| Plymouth Acclaim | | |
| **Sterling Heights, Mich.** | 7/22 | * |
| Dodge Shadow | | |
| Plymouth Sundance | | |
| **Toledo, Ohio** | 7/22 | * |
| Jeep Cherokee | | |
| Jeep Comanche | | |
| **Windsor, Ontario** | 7/22 | * |
| Dodge Caravan | | |
| Dodge Caravan C/V | | |
| Plymouth Voyager | | |
| **Windsor, Ontario (Pillette Road)** | 7/22, 7/29 | * |
| Dodge Ram Van | | |
| Dodge Ram Wagon | | |
| **GENERAL MOTORS** | | |
| **Arlington, Texas** | 7/22, 7/29 | |
| Cadillac Brougham | | 300 |
| Chevrolet Caprice sedan | | 1,700 |
| **Bowling Green, Ky.** | 7/22, 7/29, 8/5 | * |
| Chevrolet Corvette | | |
| **Doraville, Ga.** | 7/22, 7/29 | * |
| Olds. Cutlass Supreme | | |
| **Fairfax, Kan.** | 7/22, 7/29 | |
| Pontiac Grand Prix | | 3,000 |
| **Lansing, Mich. (A Plant)** | 7/22, 7/29, 8/5 | * |
| Buick Skylark | | |
| Oldsmobile Calais | | |
| **Lansing, Mich. (B Plant)** | 7/2, 7/29, 8/5, 8/12, 8/19, 8/26, 9/2 | * |
| Pontiac Grand Am | | |
| **Oklahoma City** | 7/22, 7/29 | * |
| Chevrolet Century sedan | | |
| Chevrolet Century wagon | | |
| Olds. Cutlass Ciera sedan | | |
| Olds. Cutlass Ciera wagon | | |
| Pontiac 6000 sedan | | |
| Pontiac 6000 wagon | | |
| **Pontiac, Mich. (East)** | 7/22, 7/29 | |
| Chevrolet C/K pickup | | 2,840 |
| GMC Sierra | | 1,345 |
| **Shreveport, La.** | 7/22, 7/29 | |
| Chevrolet S10 pickup | | 2,685 |
| Chevrolet S10 Blazer | | 350 |
| GMC Sonoma | | 795 |
| GMC S15 Jimmy | | 150 |
| **Tarrytown, N.Y.** | 7/22, 7/29, 8/5 | |
| Chevrolet Lumina | | 1,215 |
| Oldsmobile Silhouette | | 715 |
| Pontiac Trans Sport | | 840 |
| **Van Nuys, Calif.** | 7/22, 7/29 | * |
| Chevrolet Camaro | | |
| Pontiac Sunbird | | |
| **Willow Run, Mich.** | 7/22, 7/29 | |
| Buick Roadmaster wagon | | 1,000 |
| Chevrolet Caprice sedan | | 1,600 |
| Chevrolet Caprice wagon | | 2,300 |
| Olds. Custom Cruiser wagon | | 150 |
| **Wilmington, Del.** | 7/22, 7/29, 8/5, 8/12, 8/19, 8/26 | * |
| Chevrolet Corsica | | |
| Chevrolet Beretta | | |
| **CAMI** | | |
| **Ingersoll, Ontario** | 7/22 | * |
| Geo Metro | | |
| Geo Tracker | | |
| Suzuki Swift | | |
| Suzuki Sidekick | | |
| **HYUNDAI AUTO CANADA** | | |
| **Bromont, Quebec** | 7/22 | ** |
| Hyundai Sonata | | |
| **Total U.S. car** | | 12,820 |
| **Total U.S. truck** | | 8,165 |
| **Total units lost week of 7/22** | | 20,985 |

*Model changeover
**Vacation
Source: Automotive News Data Center

## U.S. CAR

| | Week Ended July 28, 1991 | Week Ended July 13, 1991 | July to Date | Jan. 1 to July 28, 1991 | Jan. 1 to July 21, 1990 |
|---|---|---|---|---|---|
| Horizon | 0 | 0 | 0 | 0 | 4,327 |
| Sundance | 0 | 2,461 | 4,185 | 27,007 | 43,433 |
| Acclaim | 0 | 2,087 | 4,226 | 48,338 | 55,549 |
| **Total Plymouth** | **0** | **4,548** | **8,411** | **75,345** | **103,309** |
| LeBaron A | 0 | 0 | 0 | 0 | 8,064 |
| LeBaron J | 0 | 0 | 0 | 18,697 | 26,823 |
| N. Yorker C-Class | 0 | 365 | 656 | 4,773 | 24,535 |
| Fifth Avenue | 0 | 1,562 | 2,886 | 20,697 | 10,096 |
| Imperial | 0 | 267 | 529 | 4,563 | 16,672 |
| **Total Chrysler** | **0** | **2,194** | **4,071** | **48,730** | **86,190** |
| Omni | 0 | 0 | 0 | 0 | 4,078 |
| Daytona | 0 | 0 | 0 | 4,936 | 17,869 |
| Shadow | 0 | 2,719 | 4,678 | 32,253 | 50,731 |
| Dynasty | 0 | 2,461 | 4,572 | 66,450 | 63,416 |
| Spirit | 0 | 1,851 | 3,621 | 43,369 | 51,364 |
| **Total Dodge** | **0** | **7,031** | **12,871** | **147,008** | **187,458** |
| **CHRYSLER CORP.** | **0** | **13,773** | **25,353** | **271,083** | **376,957** |
| Escort | 5,799 | 0 | 5,799 | 107,174 | 113,652 |
| Mustang | 0 | 0 | 0 | 42,542 | 77,839 |
| Tempo | 2,866 | 0 | 2,866 | 59,795 | 74,748 |
| Taurus | 6,945 | 0 | 6,945 | 180,717 | 196,863 |
| Thunderbird | 2,262 | 0 | 2,262 | 42,635 | 66,220 |
| **Total Ford Div.** | **17,872** | **0** | **17,872** | **432,863** | **529,322** |
| Topaz | 1,544 | 0 | 1,544 | 26,611 | 28,386 |
| Cougar | 2,058 | 0 | 2,058 | 31,724 | 44,022 |
| Sable | 2,757 | 0 | 2,757 | 59,022 | 59,096 |
| **Total Mercury** | **6,359** | **0** | **6,359** | **117,357** | **131,504** |
| Continental | 1,225 | 0 | 1,225 | 30,378 | 32,548 |
| Mark VII | 216 | 0 | 216 | 5,315 | 13,003 |
| Town Car | 2,875 | 0 | 2,875 | 71,478 | 86,873 |
| **Total Lincoln** | **4,316** | **0** | **4,316** | **107,171** | **132,424** |
| **Total L-M Div.** | **10,675** | **0** | **10,675** | **224,528** | **263,928** |
| **FORD MOTOR CO.** | **28,547** | **0** | **28,547** | **657,391** | **793,250** |
| Skylark/Somerset | 0 | 0 | 0 | 27,510 | 51,935 |
| Century | 2,388 | 2,842 | 7,334 | 52,517 | 40,295 |
| Riviera | 54 | 9 | 63 | 13,472 | 13,116 |
| Electra/Park Ave. | 1,513 | 1,880 | 5,202 | 63,464 | 22,143 |
| LeSabre (fwd) | 2,000 | 1,110 | 3,722 | 28,646 | 96,701 |
| Roadmaster Sedan* | 1,030 | 1,030 | 2,884 | 13,592 | 0 |
| Roadmaster Wagon† | 0 | 220 | 492 | 16,124 | 4,022 |
| Reatta | 0 | 0 | 0 | 1,206 | 5,277 |
| **Total Buick** | **6,985** | **7,091** | **19,697** | **221,051** | **233,489** |
| Eldorado | 77 | 8 | 85 | 6,480 | 12,261 |
| Seville | 150 | 18 | 168 | 14,077 | 22,806 |
| Brougham (rwd) | 0 | 345 | 628 | 10,647 | 13,758 |
| DeVille (fwd) | 2,790 | 3,876 | 9,223 | 82,122 | 95,902 |
| Allante | 64 | 64 | 179 | 1,753 | 2,516 |
| **Total Cadillac** | **3,081** | **4,311** | **10,283** | **115,837** | **147,243** |
| Cavalier | 4,650 | 4,686 | 13,129 | 150,645 | 188,993 |
| Camaro | 1,730 | 1,577 | 4,628 | 29,891 | 36,760 |
| Corsica/Beretta | 2,244 | 6,583 | 15,212 | 150,243 | 162,909 |
| Caprice | 480 | 2,677 | 5,481 | 78,711 | 143,133 |
| Corvette | 0 | 479 | 865 | 12,752 | 14,061 |
| **Total Chevrolet** | **9,104** | **16,002** | **39,315** | **422,242** | **545,856** |
| Calais | 0 | 0 | 0 | 34,616 | 59,341 |
| Cutlass Ciera | 2,755 | 2,709 | 7,590 | 47,269 | 47,028 |
| Cutlass Supreme | 2,483 | 2,595 | 7,143 | 62,516 | 49,627 |
| Toronado | 31 | 6 | 37 | 2,815 | 9,509 |
| 88 (fwd) | 2,655 | 1,922 | 6,278 | 39,405 | 61,904 |
| Custom Cruiser Wag.†† | 0 | 145 | 280 | 5,458 | 1,214 |
| 98 | 1,744 | 2,427 | 5,782 | 45,690 | 32,784 |
| **Total Oldsmobile** | **9,668** | **9,804** | **27,110** | **237,769** | **261,407** |
| Sunbird | 1,910 | 1,890 | 5,398 | 69,372 | 83,181 |
| Grand Am | 0 | 0 | 0 | 87,061 | 113,723 |
| Firebird | 585 | 492 | 1,512 | 9,962 | 22,935 |
| Grand Prix | 2,505 | 2,694 | 7,181 | 60,160 | 69,371 |
| Pontiac 6000 | 0 | 0 | 0 | 19,603 | 35,031 |
| Bonneville | 2,541 | 1,877 | 4,802 | 28,802 | 46,204 |
| **Total Pontiac** | **7,541** | **6,953** | **18,893** | **274,960** | **370,445** |
| **Total Saturn*** | **2,485** | **2,485** | **6,734** | **45,999** | **0** |
| **GENERAL MOTORS** | **36,784** | **46,566** | **122,932** | **1,316,199** | **1,558,440** |
| **DIAMOND-STAR*** | **2,983** | **2,837** | **7,445** | **85,868** | **70,140** |
| Civic | 1,740 | 1,696 | 3,436 | 50,009 | 65,637 |
| Accord | 7,565 | 7,481 | 15,046 | 195,198 | 174,499 |
| **HONDA** | **9,305** | **9,177** | **18,482** | **246,207** | **240,136** |
| **MAZDA*** | **3,278** | **3,511** | **6,789** | **88,186** | **94,795** |
| **NISSAN** Sentra | **2,980** | **0** | **2,980** | **72,849** | **51,898** |
| Corolla | 2,100 | 2,350 | 5,817 | 59,986 | 59,132 |
| Geo Prizm/Nova | 2,100 | 1,875 | 5,107 | 55,001 | 58,648 |
| **NUMMI** | **4,200** | **4,225** | **10,924** | **114,987** | **117,780** |
| **SUBARU-ISUZU** Legacy | **1,143** | **1,184** | **2,365** | **31,974** | **14,249** |
| **TOYOTA** Camry | **4,250** | **4,168** | **8,418** | **119,956** | **118,482** |
| **TOTAL BIG 3** | **67,331** | **80,339** | **175,932** | **2,244,864** | **2,728,847** |
| **TOTAL TRANSPLANT** | **27,730** | **25,982** | **57,873** | **756,847** | **706,678** |
| **TOTAL CARS, U.S.** | **95,070** | **85,421** | **233,985** | **3,001,511** | **3,435,325** |
| **TOTAL CARS, CANADA** | **17,871** | **15,770** | **46,562** | **611,718** | **598,128** |
| **U.S., CANADA CARS** | **112,941** | **101,191** | **279,567** | **3,613,221** | **4,025,445** |
| **U.S., CANADA CARS AND TRUCKS** | **191,888** | **155,973** | **462,949** | **5,981,189** | **6,777,985** |

*Estimate
†1990 totals reflect LeSabre (rwd) ††1990 totals reflect Olds. 88 (rwd)
*Mazda includes MX-6, 626 and Ford Probe; Diamond-Star includes Eagle Summit and Talon, Mitsubishi Eclipse and Mirage and Plymouth Laser; CAMI includes Geo Metro and Suzuki Swift cars and Geo Tracker and Suzuki Sidekick trucks.

## CANADIAN CAR

| | Week Ended July 28, 1991 | Week Ended July 13, 1991 | July to Date | Jan. 1 to July 28, 1991 | Jan. 1 to July 21, 1990 |
|---|---|---|---|---|---|
| Monaco | 0 | 0 | 557 | 5,343 | 5,587 |
| Premier | 0 | 0 | 280 | 5,630 | 5,110 |
| **CHRYSLER CORP.** | **0** | **0** | **837** | **10,973** | **10,697** |
| Tempo | 0 | 0 | 0 | 60,003 | 69,481 |
| Topaz | 0 | 0 | 0 | 19,184 | 25,040 |
| Crown Victoria | 2,460 | 0 | 2,460 | 47,829 | 64,122 |
| Grand Marquis | 2,581 | 0 | 2,581 | 48,947 | 56,568 |
| **FORD MOTOR CO.** | **5,041** | **0** | **5,041** | **175,963** | **215,211** |
| Celebrity | 0 | 0 | 0 | 0 | 19,567 |
| Cutlass Ciera | 1,483 | 1,965 | 5,037 | 41,128 | 51,826 |
| Lumina | 5,319 | 6,536 | 16,517 | 130,424 | 129,145 |
| Regal | 2,417 | 3,053 | 7,586 | 70,365 | 54,154 |
| **GENERAL MOTORS** | **9,219** | **11,574** | **29,140** | **241,917** | **254,692** |
| **CAMI*** | **0** | **0** | **2,846** | **64,270** | **0** |
| **HONDA** Civic | **2,831** | **2,897** | **4,128** | **58,973** | **57,909** |
| **HYUNDAI** Sonata* | **0** | **487** | **985** | **16,458** | **11,967** |
| **TOYOTA** Corolla | **1,488** | **1,432** | **3,981** | **38,199** | **34,571** |
| **VOLVO** 740 and 940 | **180** | **180** | **504** | **4,965** | **5,073** |
| **TOTAL CARS, CANADA** | **17,871** | **15,770** | **46,562** | **611,718** | **598,128** |

## U.S. TRUCK

| | | | | | |
|---|---|---|---|---|---|
| Caravan | 2,500 | 3,139 | 7,859 | 62,786 | 65,194 |
| Dakota | 2,000 | 1,967 | 5,562 | 46,353 | 37,864 |
| Caravan C/V | 0 | 0 | 0 | 2,109 | 4,112 |
| Ram pickups | 1,900 | 2,029 | 5,523 | 46,319 | 56,082 |
| **Total Dodge** | **6,400** | **7,155** | **18,944** | **157,567** | **163,252** |
| Cherokee | 0 | 0 | 2,947 | 69,622 | 90,190 |
| Comanche | 0 | 0 | 79 | 2,827 | 4,241 |
| Grand Wagoneer | 0 | 0 | 0 | 1,560 | 3,770 |
| Wagoneer/Briarwood | 0 | 0 | 12 | 1,451 | 2,185 |
| **Total Jeep** | **0** | **0** | **3,038** | **75,460** | **100,386** |
| Voyager | 1,900 | 2,153 | 5,113 | 53,219 | 61,096 |
| Town & Country | 50 | 90 | 213 | 1,936 | 2,027 |
| **Total C-P Div.** | **1,950** | **2,243** | **5,326** | **55,155** | **63,123** |
| **CHRYSLER CORP.** | **8,350** | **9,398** | **27,308** | **288,182** | **326,761** |
| Aerostar | 4,725 | 0 | 4,725 | 87,116 | 111,550 |
| Bronco | 748 | 0 | 748 | 7,881 | 29,424 |
| Bronco II/Explorer | 4,742 | 0 | 4,742 | 144,625 | 93,628 |
| Navajo | 0 | 0 | 0 | 5,871 | 0 |
| Econoline | 4,347 | 0 | 4,347 | 73,430 | 107,761 |
| Mediums/Heavies | 0 | 927 | 1,759 | 18,953 | 29,696 |
| Light trucks | 9,412 | 0 | 9,412 | 157,772 | 250,834 |
| Ranger | 5,953 | 0 | 5,953 | 136,947 | 158,833 |
| **FORD MOTOR CO.** | **29,927** | **927** | **31,686** | **632,595** | **781,726** |
| Astro | 0 | 0 | 0 | 49,605 | 69,477 |
| Blazer | 141 | 213 | 508 | 4,715 | 10,035 |
| Lumina APV | 1,283 | 1,247 | 3,524 | 24,541 | 56,684 |
| Mediums/Heavies | 239 | 263 | 777 | 778 | 4,588 |
| P-Model | 774 | 758 | 2,012 | 11,482 | 15,065 |
| Pickups | 5,926 | 5,601 | 16,856 | 163,673 | 228,977 |
| S10 | 5,756 | 6,018 | 16,543 | 147,554 | 134,403 |
| S10 Blazer | 1,748 | 1,950 | 5,265 | 17,254 | 51,837 |
| Sportsvan/Van | 1,206 | 934 | 2,975 | 24,536 | 37,788 |
| Suburban | 776 | 829 | 2,226 | 16,360 | 39,237 |
| **Total Chevrolet** | **17,849** | **17,813** | **50,886** | **488,498** | **648,891** |
| Jimmy | 140 | 82 | 260 | 1,291 | 3,131 |
| Mediums/Heavies | 384 | 335 | 923 | 921 | 4,943 |
| P-Model | 54 | 46 | 138 | 1,608 | 1,784 |
| Pickups | 2,722 | 3,111 | 7,471 | 73,185 | 91,398 |
| S15/Sonoma | 1,517 | 1,265 | 4,407 | 34,967 | 31,101 |
| S15 Jimmy | 443 | 533 | 1,502 | 6,515 | 17,789 |
| Safari | 0 | 0 | 0 | 21,460 | 24,891 |
| Suburban | 710 | 637 | 1,675 | 13,921 | 19,588 |
| Vandura/Rally Vans | 286 | 216 | 775 | 11,308 | 14,129 |
| **Total GMC** | **6,256** | **6,225** | **17,151** | **186,976** | **268,754** |
| Silhouette | 680 | 691 | 1,913 | 13,067 | 22,460 |
| Bravada | 542 | 231 | 996 | 9,802 | 0 |
| **Total Oldsmobile** | **1,222** | **922** | **2,909** | **22,869** | **22,460** |
| **Pontiac** Trans Sport | **858** | **842** | **2,361** | **16,877** | **31,181** |
| **GENERAL MOTORS** | **26,185** | **25,802** | **73,187** | **864,529** | **919,466** |
| **NAVISTAR** | **1,845** | **0** | **1,845** | **40,286** | **41,581** |
| **NISSAN** Pickup | **2,660** | **0** | **2,980** | **71,478** | **81,984** |
| **SUBARU-ISUZU** | **1,294** | **1,298** | **3,826** | **28,838** | **14,494** |
| **AM GENERAL** | **488** | **488** | **1,128** | **11,253** | **12,988** |
| **MISCELLANEOUS**** | **2,858** | **2,858** | **7,428** | **74,821** | **84,988** |
| **TOTAL TRUCKS, U.S.** | **73,021** | **48,457** | **147,972** | **1,811,866** | **2,253,942** |

## CANADIAN TRUCK

| | | | | | |
|---|---|---|---|---|---|
| Caravan | 0 | 2,801 | 5,890 | 79,571 | 82,709 |
| Caravan C/V | 0 | 0 | 0 | 11,834 | 5,610 |
| Ram Wagon | 0 | 357 | 921 | 12,647 | 14,244 |
| Ram Van | 0 | 1,374 | 2,636 | 23,310 | 33,759 |
| **Total Dodge** | **0** | **4,532** | **9,447** | **127,362** | **136,322** |
| **Plymouth** Voyager | **0** | **1,970** | **3,695** | **58,174** | **65,751** |
| **Jeep** Wrangler | **0** | **1,024** | **2,251** | **32,181** | **33,849** |
| **CHRYSLER CORP.** | **0** | **7,526** | **15,393** | **218,717** | **235,122** |
| **FORD** F series | **0** | **0** | **0** | **51,768** | **77,241** |
| Light trucks | 3,268 | 3,020 | 9,300 | 79,181 | 96,137 |
| Vans | 1,072 | 1,413 | 3,824 | 30,523 | 30,371 |
| **Total Chevrolet** | **4,340** | **4,433** | **13,124** | **109,704** | **25,508** |
| Light trucks | 962 | 1,754 | 3,141 | 30,800 | 40,920 |
| Vans | 439 | 612 | 1,518 | 13,283 | 13,286 |
| **Total GMC** | **1,421** | **2,366** | **4,659** | **44,083** | **54,206** |
| **GENERAL MOTORS** | **5,761** | **6,799** | **17,783** | **153,787** | **186,714** |
| **CAMI*** | **0** | **0** | **989** | **28,673** | **0** |
| **NAVISTAR** | **185** | **0** | **185** | **3,981** | **5,981** |
| **TOTAL TRKS., CANADA** | **5,926** | **14,325** | **34,519** | **458,960** | **488,579** |
| **U.S., CANADA TRKS.** | **78,947** | **54,782** | **182,482** | **2,267,986** | **2,752,520** |

**Estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz.
May contain error of one or two units due to rounding.

# GM closes 6 plants as sales falter

By Bob DeMayer
SPECIAL CORRESPONDENT

Because of poor sales, General Motors will shut three car and two truck plants for the next two weeks and one minivan plant for the next three weeks.

The car plants are: Arlington, Texas; Fairfax, Kan.; and Willow Run, Mich. The truck plants are Shreveport, La., and Pontiac, Mich. (East), and the minivan plant is Tarrytown, N.Y.

The four-week-old strike continues at GM's Baltimore minivan plant, which is the sole source of Chevrolet Astro and GMC Safari.

U.S. car production surpassed three million units for the year last week. In 1990, the three-million mark was reached three weeks earlier. U.S. car and truck production rose last week due, in part, to Ford Motor Co. plants resuming output after a two-week shutdown for vacations.

Auto manufacturers scheduled 95,070 cars last week, 11.30 percent above the preceding week and 5.23 percent above last year.

Year-to-date, U.S. car production is 3,001,511, down 12.63 percent from 1990.

Truckmakers planned to build 73,021 units last week, up a whopping 80.49 percent from the prior week because of Ford's return to work but down 7.59 percent from the 1990 week.

So far this year, 1,811,080 trucks have been assembled, 19.65 percent behind 1990.

Automakers split last week's estimated production as follows: General Motors, 40.79 percent; Ford, 30.03 percent; Honda of America Manufacturing Inc., 9.79 percent; Toyota Motor Manufacturing U.S.A. Inc., 4.47 percent; New United Motor Manufacturing Inc., 4.42 percent; Mazda Motor Manufacturing (USA) Corp., 3.45 percent; Diamond-Star Motors Corp., 3.05 percent; Nissan Motor Manufacturing Corp. U.S.A., 2.80 percent; and Subaru-Isuzu Automotive Inc., 1.20 percent.

All Chrysler Corp. plants were closed for vacation last week.

GM scheduled one shift of overtime last Saturday at its Detroit truck plant and Flint, Mich., truck assembly line (No. 2). Flint builds the GMC Suburban.

**CANADA:** Canadian car production was estimated at 17,871 last week, up 13.32 percent from the prior week, but down 11.92 percent from the year-ago week.

Truck production last week was estimated at 5,926, down 58.63 percent from the prior week and down 15.66 percent from the year-ago week.

Year-to-date, truck production in Canada is down 8.36 percent. Ford scheduled one shift of daily overtime this week at its St. Thomas, Ontario, car plant.

# Hall of Fame to induct 6, award others

MIDLAND, Mich. — Six industry leaders will be inducted into the Automotive Hall of Fame at an awards banquet Sept. 30.

The banquet also will honor John O. Grettenberger, Cadillac general manager, as Automotive Industry Leader of the Year.

Stephen R. Plumley, vice president of technology for the Plumley Cos. in Paris, Tenn., will receive the award for young leadership and excellence. Keith E. Crain, publisher of *Automotive News*, will serve as master of ceremonies at the banquet that will be held at the Westin Hotel in Detroit.

The six industry leaders to be honored are:

- Sir Frederick Henry Royce, who, together with Charles S. Rolls, built the first "Silver Ghost" in 1905.
- J. Harwood Cochrane, who started Overnite Transportation Co. in 1935.
- Harold Dieckmann Draper Sr., who turned Draper Chevrolet into one of the first megadealerships.
- Dr. W. Edwards Deming, whose achievements in productivity and quality control and distinguished service to Ford Motor Co. and General Motors brought him recognition in the United States and Japan.
- Zora Arkus-Duntov, also know as "Mr. Corvette," for transforming the Corvette from a rather mundane vehicle into a true sports car.
- Rene C. McPherson, who transformed the Toledo, Ohio, based Dana Corp. from a bureaucratic money loser into a lean profit machine.

# NOTE

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